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NOMINATION

HEARING

BEFORE THE

COMMITTEE ON LABOR AND HUMAN RESOURCES UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

FIRST SESSION

ON

ELIZABETH HANFORD DOLE, OF KANSAS, TO BE SECRETARY OF LABOR, U.S. DEPARTMENT OF LABOR

JANUARY 19, 1989

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NOMINATION

THURSDAY, JANUARY 19, 1989

U.S. SENATE,
COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, DC.

The committee convened, pursuant to notice, at 2:30 p.m., in room SD-430, Dirksen Senate Office Building, Senator Edward M. Kennedy (chairman of the committee) presiding.

Present: Senators Kennedy, Pell, Metzenbaum, Matsunaga, Dodd, Simon, Harkin, Adams, Mikulski, Hatch, Kassebaum, Jeffords, Coats, Thurmond, Durenberger, and Cochran.

Also present: Senators Dole, Helms, and Sanford.

OPENING STATEMENT OF SENATOR KENNEDY

The CHAIRMAN. The committee will come to order.

I will just briefly announce the procedure which we will follow. I will make a brief opening statement. It will be followed by the statement of the ranking minority member, Senator Hatch. Then we will invite the comments and introductions of our colleagues in the Senate who are here to make whatever comments they would like to make. And then, before hearing the nominee, we will come back and hear from our colleagues for any brief statements that they would like to make, and we will excuse our colleagues at that time or welcome their continued presence for the course of the hearing.

At the conclusion of the hearing we will, with a quorum, follow a procedure which has been acceptable to the Senate since the early 1950's, and with a quorum present, report the nominee, as I think all of us expect will be with an overwhelming vote of approval to the Senate, so the Senate might move to an early consideration. That is the current plan of the chair and the way that we will proceed.

We are here this afternoon for a committee hearing on the nomination of Elizabeth H. Dole to be Secretary of Labor. As I said when President-elect Bush announced her nomination, she is an excellent choice for the Cabinet, and I look forward to working closely with her on the broad range of challenges facing American workers.

Those challenges are daunting, our resources are limited, and the solutions are inevitably controversial. But Elizabeth Dole is no stranger to meeting and mastering such challenges as reflected by her record. And with her distinguished service at the Office of Consumer Affairs, the Federal Trade Commission, the White House and the Department of Transportation, she brings to the Depart-

ment of Labor a wealth of experience, a solid commitment to excellence in public service, and a remarkable record of achievement.

I might also add that in addition to her extensive Executive Branch expertise, our exhaustive committee background investigation has turned up the fact that she also has close ties to the Legislative Branch, reportedly even to the Senate Leadership.

We all hope to see a fresh start at the Department of Labor. It is no secret that the past 8 years have been controversial times for American workers. Too often, the rights and needs of working men and women took a back seat to the pro-business ideology of the administration. Enforcement of existing health and safety protections has declined, and the development of needed new standards has been too slow to keep pace with the risks of the modern workplace.

But President-elect Bush campaigned in a different vein. He pledged his support for an increase in the minimum wage, for reasonable parental leave policies by employers, and for greater sensitivity to the problems facing millions of workers in obtaining safe and affordable child care and at least minimum health insurance.

Those issues are priorities for American workers, priorities for the American people, priorities for Congress, and I hope they will be priorities for the Bush Administration.

The larger challenge we must face together is to rebuild our competitive work force, make it more productive and sustain it for the future. We must learn to do more without spending more.

At a minimum, the Federal Government can provide leadership in developing more effective training systems for people at all stages of their working lives. Because of the deficit, we will need to use public funds more wisely than before. We will need additional resources from business so that public funds are not substituted for private funds, and we must be vigilant to reach the people who are most in need of help.

That is a formidable agenda for any Secretary of Labor—perhaps the most formidable since the days of FDR and Frances Perkins. My wish for Secretary Dole is this—may the combination of President Bush and his new Secretary of Labor be as successful in meeting the challenges of the 1990s as that illustrious combination of President Roosevelt and Secretary Perkins was in meeting the challenges of their times.

Senator Hatch.

OPENING STATEMENT OF SENATOR HATCH

Senator HATCH. Thank you, Mr. Chairman.

Mrs. Dole, we welcome you to the committee, and we are very proud of this nomination. You succeed an excellent person who did a terrific job at the Department of Labor, and we expect you to carry that on and to even extend that work.

In spite of your closest friendships and affiliations, I have worked hard with the other side to make sure that the way is smooth for you to be able to get through the committee. [Laughter.] It may be we had a harder time on our side, but in all honesty, we are very proud of you having this position.

You served beautifully down at the White House as the President's Assistant for Public Liaison. You have had experience as a

member of the Federal Trade Commission, and, of course, as Secretary of Transportation. We have all been proud of the public service you have given.

We think a great deal of you, and we look forward to working with you. This committee does not always work in harmony, but we all get along well, and we try to work very closely, in spite of some widespread differences. I think you will enjoy every member of this committee, and we look forward to having you testify on a variety of very important issues as you represent the Administration and bring their viewpoints to us on the committee.

So we welcome you to the committee, look forward to this hearing, and hope everything will go well for you.

Thank you, Mr. Chairman.

The CHAIRMAN. We have four Senators here this afternoon who are eager to introduce Elizabeth Dole, from her native State of North Carolina and her adopted State of Kansas. So, we will proceed and first hear from Senator Helms, then move to Senator Kassebaum, Senator Sanford, and then Senator Dole.

Senator METZENBAUM. Mr. Chairman, the only reason I came to this meeting is I wanted to hear how Senator Dole was going to speak about his wife.

The CHAIRMAN. We will hear about that in just a moment. [Laughter.]

The CHAIRMAN. Senator Helms.

STATEMENTS OF HON. JESSE HELMS, A U.S. SENATOR FROM THE STATE OF NORTH CAROLINA; HON. NANCY LANDON KASSEBAUM, A U.S. SENATOR FROM THE STATE OF KANSAS; HON. TERRY SANFORD, A U.S. SENATOR FROM THE STATE OF NORTH CAROLINA; AND HON. ROBERT DOLE, A U.S. SENATOR FROM THE STATE OF KANSAS

Senator HELMS. Thank you, Mr. Chairman and members of the committee.

This is the third time in three Administrations that I have had the pleasure of presenting this lady, and very proudly so. She is the third woman to be chosen to serve as Secretary of Labor. She will be the twentieth Secretary of Commerce—strike that. I am a little confused, because originally, this Committee had two auspices, Commerce and Labor, and for the first four years, it served both purposes. And during that time of ten years, there were four Secretaries, so that would make you the twenty-fourth, if you want to count that all the way back.

Twelve times, Mr. Chairman, have North Carolinians been nominated and confirmed to serve in various Cabinet posts, and when the Senate confirms Elizabeth Dole, she will represent two of the twelve.

If you will let me digress for just a moment, North Carolina was the birthplace of three Presidents, two Vice Presidents, one President Pro Tem of the Senate, and one Speaker of the House. The Commonwealth of Virginia provided eight native sons to serve as the Nation's Chief Executive, and for a long time, Virginia was known as "The Mother of Presidents"—but the old lady has not been in a family way for 76 years. The last Virginia native to serve

as President was Woodrow Wilson, and he was elected from New Jersey.

But be that as it may, North Carolina is proud of our State's exports of quality products: agriculture, furniture, textiles, and a great deal of technology. But in the latter half of the 1960s, we exported to Washington, D.C. an unfailingly competent, dedicated and gracious lady, who has had an uninterrupted career of wanting and working to help make life better for the American people—and particularly those who, for one reason or another, may need a helping hand.

Elizabeth Hanford Dole could have chosen a career that would have been enormously enriching to her in a financial way, but this lady, a Phi Beta Kappa graduate of Duke, has always wanted to help people. And she certainly succeeded. She has worked for the deaf. She has defended indigents in the District of Columbia court system. She has served as Executive Director of the President's Committee on Consumer Interests. She has served as Deputy Assistant to the President for Consumer Affairs. She has served as a distinguished member of the Federal Trade Commission. And most recently, as has been mentioned, she has served as Secretary of Transportation.

Looking back through her various, almost countless, awards, I found one in 1974 in which Time magazine identified her among the 200 "Faces for the Future". Now, for once, at least, Time magazine was absolutely right.

Mr. Chairman, Mrs. Dole has served on the Board of Trustees of Duke University and the Board of Advisors for Duke Business School, the Board of Directors of the National Council on Aging, and so forth and so on. I will just submit that for the record, because the list is too long.

In short, Mr. Chairman, I have never known a more dedicated, nor a more gracious person than Elizabeth Hanford Dole. With all of her responsibilities, one of the lesser-known, but to me, the most important, aspect of her life is her deep spiritual commitment. She is indeed an inspiration.

Thus it is a joy to join with my fellow Senators and others in presenting her to this committee, and to do so without any reservation whatsoever.

We all wish you well, Liddy, as you move into a great opportunity for further service to the American people.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator.

[The prepared statement of Senator Helms follows:]

PRESENTATION OF
ELIZABETH HANFORD DOLE
JANUARY 19, 1989

Mr. HELMS. Thank you, Mr. Chairman and members of this distinguished committee, for the privilege of appearing here this morning to join in presenting the President-Elect's choice to serve as the 21st Secretary of Labor -- the Honorable Elizabeth Hanford Dole.

Mrs. Dole is the 22nd person (and the third woman) to be chosen to serve as Secretary of Labor. If you count the ten years following the creation -- by Congress in 1903 -- of the Department of Labor and Commerce, and the four Secretaries who served during that period, then Elizabeth Dole is the 25th. (In 1913, the Department of Labor and Commerce was divided into separate Departments.)

Twelve times have North Carolinians been nominated and confirmed to serve in various Cabinet posts. When the Senate confirms Elizabeth Dole, she will represent two of the 12.

North Carolina was the birthplace of three Presidents, two Vice Presidents, one President Pro Tem of the Senate and one Speaker of the House. The Commonwealth of Virginia provided eight native sons to serve as the nation's chief executive, and for a long time was known as the Mother of Presidents. However, the old lady hasn't been in a family way for 76 years. The last Virginia native to serve as President was Woodrow Wilson -- and he was elected from New Jersey.

Be that as it may, North Carolina is proud of our state's exports of quality products -- agricultural, furniture, textiles and a great deal of technology. But in the latter half of the 1960's, we exported to Washington, D.C., an unfailingly competent, dedicated and charming lady who has an uninterrupted career of wanting, and working, to help make life better for the American people -- and particularly those who, for one reason or another, may need a helping hand.

Elizabeth Hanford Dole could have chosen a career that would have been enormously enriching to her in a financial way. But this lady, a Phi Beta Kappa graduate of Duke University, has always wanted to help <u>people</u>. And how she has succeeded!

She has worked for the deaf: she has defended indigents in the District of Columbia court system; she has served as Executive Director of the President's Committee on Consumer Interests; she has served as Deputy Assistant to the

President for Consumer Affairs; she has served as a distinguished member of the Federal Trade Commission, and most recently as Secretary of Transportation.

For this and other services, she has received countless awards, including a 1974 recognition by Time magazine as one of America's 200 "Faces For The Future." Time Magazine certainly had that right!

Mr. Chairman, Mrs. Dole has served on the Board of Trustees of Duke University and the Board of Advisors for the Duke Business School -- and also on the Board of Directors of the National Council on Aging; the Board of Directors for the American Council on Young Political Leaders; the Board of Directors of the Wolf Trap Foundation for the Performing Arts; the National Advisory Council of the National Federation of Republican Women; and the Overseers Committee to Visit the John F. Kennedy School of Government; and as a trustee of the Washington Opera.

Mr. Chairman, I have never known a more dedicated nor a more gracious person than she. With all of her responsibilities, one of the lesser-known -- but, to me, the most important -- aspects of her life is her deep spiritual commitment. She is indeed an inspiration.

Thus it is a joy to present her to this committee, and to do so without any reservation whatsoever. We all will wish her well as she moves into a great opportunity for service to the American people.

I would respectfully request that the committee make a part of the official record a brief biographical sketch, and with that, I am pleased to present on behalf of the President a dear friend of all of us, a gracious and remarkable lady, the Honorable Elizabeth Hanford Dole.

The CHAIRMAN. Senator Kassebaum.

Senator KASSEBAUM. Mr. Chairman and members of the committee, it is a special pleasure for me to join with others in introducing Elizabeth Dole to the members of the committee.

I had this honor 6 years ago when, as a member of the Commerce Committee, Elizabeth Dole was then a nominee for Secretary of Transportation.

We have both changed hats in the meantime, and I am now a new member of this committee. I am very enthusiastic about the opportunity that it affords to look at the critical issues that the work force faces as we prepare our Nation for the 21st century. I know this is something of special interest and concern and dedication of President-elect George Bush and of his nominee for Secretary of Labor, Elizabeth Dole.

I can think of no one more uniquely qualified for that position than Elizabeth Dole. She brings a sensitivity and a vitality and a dedication to public service that serves this Nation uniquely well. And I think this is proven by a recent poll, as a matter of fact, which shows that of all the Cabinet nominees, she is the most popular and most widely-recognized of all the new Cabinet nominees.

So I think that we are very fortunate as a Committee on Labor and Human Resources in having her as our Secretary, and George Bush and the Bush Administration and the country will be well-served by her service in that position.

Thank you.

The CHAIRMAN. Thank you, Senator Kassebaum.

[The prepared statement of Senator Kassebaum follows:]

Introduction of Elizabeth Dole
January 19, 1989
by Senator Nancy Landon Kassebaum

It is a special pleasure to join in introducing Elizabeth Dole to the Senate Labor and Human Resources Committee. I had the same pleasure six years ago as a member of the Senate Commerce Committee when Elizabeth was then the nominee for Secretary of Transportation.

We have both changed hats in the meantime. As a new member of this committee, I am enthusiastic about the opportunities it affords to address the work-force issues so critical to moving our nation into the 21st century. This is an enthusiasm shared by Elizabeth, and I very much look forward to working with her.

I can assure those members who have not yet had an opportunity to work with Elizabeth that she brings tremendous energy, sensitivity, and talent to any task she undertakes. She is someone with whom American working men and women can feel comfortable and confident. In short, she will be a great asset to the Bush administration and to the country as Secretary of Labor.

I am delighted she has accepted this challenge.

The CHAIRMAN. Senator Sanford, we will be glad to hear from you.

Senator SANFORD. Mr. Chairman, members of the committee, thank you for giving me an opportunity to join in the introduction of a very distinguished person. Elizabeth Dole is a remarkably energetic, dedicated and intelligent person, a product of the North Carolina schools, Duke University, and Harvard Law School.

I first knew her well as an alumna and then a hardworking trustee of Duke University, although it is a fact, now relegated to a rumor in deference to political propriety, that I knew her fresh out of Harvard, when she worked effectively to help elect me Governor. In other words, she had a good start.

She moved up in her chosen city of Washington because of her meticulous attention to detail, her willingness to study hard the problem of the moment, and her dedication to the duties of her assignment, whatever it was.

I remember a casual conversation at Duke when I was amazed to discover that she knew more about automobile brakes than most mechanics. FTC, where she was then Commissioner, had a case involving automobile brakes, and she saw it as her business to know more about the subject than anyone else. And where did she acquire those study habits? Duke, of course.

Her energy and enthusiasm for whatever her cause has been a hallmark. She invigorated our Alumni Annual Giving Program in my first few years at Duke, and then brought those same zestful talents to the Board of Trustees, where she remained until she had to give us up for the mundane tasks of running the White House and then the Transportation Department.

President Bush will be well-served, and it marks his wisdom that he called her back to public service. She has all the right qualities. She has enlivened every place she has served. She will be an outstanding Secretary of Labor. In fact, in America, labor will never again be the same.

Thank you.

The CHAIRMAN. Thank you very much.

We now look forward to hearing from the Minority Leader. I understand, Madam Secretary, you are just as glad to have him continue to be "minority leader" at home as well.

If I could digress for just a moment, I think there was a good deal of speculation two years ago about which member of the Dole family was going to run for President, and that decision was made very smoothly at home. Perhaps you can give me some instructions as to how you settle that within the family, as someone who has got a large number of candidates.

We welcome our Minority Leader. He is a good friend of all of us, and we look forward to hearing from him.

Senator DOLE. Thank you very much, and I hope that what I say will not prejudice the vote in this Committee.

But I would first make an observation. If I had had this much coverage in the primaries, I would be working on my Inaugural Address. [Laughter.]

And I think Paul Simon could say the same, and many others.

Well, I once dreamed of making a name for myself in Washington, but I never thought it would be as the husband of the Secre-

tary of Labor—but you take what comes these days; it is pretty tough out there.

But I will be honest—and I may be a little biased as her Senator and her husband. But when George Bush talks about the thousand points of light, he probably had Elizabeth in mind. Now there are only 999 to go. So we are working on it.

I am very proud to be here. I have been in this position before. And I would say, as others have said, Mr. Chairman, Senator Hatch, that I think, as Senator Sanford just indicated, Elizabeth understands the words "labor-intensive". If you ask her what time it is, she will tell you how the watch was made. She does study very hard—something that I have never been able to catch onto. But she will give "labor-intensive" a new meaning.

I think she has accepted this nomination, I can say very honestly, because she is convinced that at the Department of Labor she can make a difference. And there are a lot of, as the chairman pointed out, major issues that are going to be coming out of this committee. It will be up to this Administration and the Secretary to address those issues, making a difference, whether it is in the inner cities or whether it is safety, or whatever it might be that she may have jurisdiction of.

Mr. Chairman, you may recall that for a time, we were on a national show together—I am not sure anyone here has ever heard of it—it was called "Face-Off". I would insult Senator Kennedy on Monday, and he would insult me on Tuesday. I was asked what I was doing it for, and I said, "I am doing it for money; I don't know why Kennedy is doing it." [Laughter.]

But I think if we had the show today, we could agree on something—maybe for the first time. And that is that Elizabeth Dole is an exceptional nominee, a dedicated public servant, who can and will make a difference for America.

Thank you.

The CHAIRMAN. Very fine.

We are delighted to have all our colleagues from the Senate who make a very strong presentation for the President's nominee. Before they leave, I just want to welcome Senator Kassebaum, not only her presentation here, but also as a new member of our committee.

I want to also welcome Jim Jeffords from the State of Vermont to our committee. Vermont has had a very strong presence in the committee with Senator Stafford for many, many years, and he leaves a very distinguished heritage.

We also welcome Senator Durenberger, who joins us as well from Minnesota.

Dan Coats, from Indiana, joins us as well.

The committee welcomes all of them.

We will be glad to have our colleagues remain, but if they necessarily have to absent themselves, this will be an appropriate time, and we will move on with brief opening statements from our other colleagues, and then we will get about the business of this afternoon and hear from the nominee after she introduces other members of the family.

So we will recognize Senator Pell.

Senator PELL. Thank you very much, Mr. Chairman.

This is the second set of hearings up and down this single corridor of the Dirksen Building; the hearings with Secretary Baker were very successful, and there were good exchanges of ideas in-depth. I am sure that we will have the same exchange with you, Mrs. Dole. I think we all share a regard and an admiration and affection for you and the work you have done and also for the spirit that moves you.

I think some of us were at the prayer breakfast where you spoke a couple of years ago, and we will always remember that speech of yours.

I also would like to welcome you—I understand you will be Ranking Member on the Education Subcommittee, and that is good news indeed.

So for all these reasons, I join in the chorus of delight and praise to you and look forward to being here this afternoon.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Pell.

We have heard from Senator Hatch and Senator Kassebaum, and we will now recognize Senators Stafford—Jeffords, excuse me.

Senator JEFFORDS. Thank you for the compliment that is all right.

The CHAIRMAN. I apologize.

Senator JEFFORDS. I intend to carry on as well.

First of all, it is a pleasure to be on this committee. Having served 14 years on the House committee and having dealt with most members either in the House or on this committee, it is a delight to carry forth on some of these very important problems that face the Nation. I look forward to having an opportunity to work with Secretary Dole.

I am humbled to take the place of Dan Quayle as Ranking Member on the Labor Subcommittee and look forward to the opportunity to work with you on the very serious problems that face this Nation.

I will save the rest of my comments until we have time for questioning.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Senator Metzenbaum.

Senator METZENBAUM. I have no comment. I am looking forward to working with the new Secretary. I am optimistic we will be able to move forward in positive ways, and I wish you well.

The CHAIRMAN. Senator Durenberger.

Senator DURENBERGER. Mr. Chairman, I have a statement that says how happy I am to be back on this committee. This is the committee that Minnesota Senators helped to make famous, but it has now switched to this side of the aisle, and I consider it an opportunity to serve on this committee.

I think for me it is a personal pleasure that the first meeting is an opportunity to deal with the confirmation of our friend Elizabeth Dole as Secretary of Labor. There are not enough nice things that we can say about Elizabeth. We can all say them with almost as much meaning as Bob, never quite as much feeling, which is certainly appropriate to the Dole family.

But I was thinking about how to characterize coming on this committee after the campaign, and it seemed to me that this ought

to be called the "kinder and gentler" committee, because my Ranking Member tells me there are some two or three thousand Federal programs that are under the oversight of this committee, and a lot of them deal with the responsibility in the Department of Labor, and if we are going to end up being "kinder and gentler" in some way, it is this committee and this candidate for Secretary of Labor, who is going to really have to make a lot of that difference.

So I want you to know I am volunteering for the "thousand points of light subcommittee" and I will be glad to be of help as I can during the course of this process.

The CHAIRMAN. Thank you.

Senator Dodd.

Senator DODD. Mr. Chairman, I have an opening statement and ask unanimous consent that it be included in the record.

Just to join my colleagues in welcoming you, Liddy, to this committee and to congratulate you on the nomination and to thank you for the amount of time I know you gave this Member—about an hour, an hour and a half, we had a chance to talk and get to the questions. Obviously, we have discussed child care and parental leave and a whole host of issues that I have a deep interest in, and the children's agenda.

So I am delighted with your nomination. I think you are going to be an excellent Secretary and look forward to working with you.

[The opening statement of Senator Dodd follows:]

SENATOR CHRISTOPHER J. DODD

HEARING ON THE NOMINATION OF ELIZABETH HANFORD DOLE

JANUARY 19, 1989

OPENING STATEMENT

MR. CHAIRMAN, THANK YOU AND GOOD AFTERNOON.

LIDDY, I WOULD PERSONALLY LIKE TO WELCOME YOU TO TODAY'S HEARING. CONGRATULATIONS ON YOUR NOMINATION. YOU BRING TO THIS HEARING AN IMPRESSIVE RECORD OF GOVERNMENT SERVICE. YOU HAVE SERVED THIS NATION ADMIRABLY THROUGH FIVE ADMINISTRATIONS SPANNING TWENTY YEARS. CLEARLY, YOUR TENURE IN PUBLIC OFFICE HAS MADE YOU FAMILIAR WITH THE INTRICACIES AND NUANCES OF POLICY MAKING AND THE RELATIONSHIP BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCHES. THIS KNOWLEDGE WILL BE MOST BENEFICIAL TO YOU IN MANAGING THE DEPARTMENT AND IN COORDINATING POLICY PROPOSALS BETWEEN THE ADMINISTRATION AND CONGRESS.

THE CHALLENGE YOU FACE IS GREAT. TODAY, THE DEMOGRAPHICS OF THE WORKFORCE ARE CHANGING. THE POOL OF QUALIFIED WORKERS IS SHRINKING. THE LOW COST OF FOREIGN LABOR IS ENTICING COMPANIES OUT OF OUR COMMUNITIES. AND 40 PERCENT OF OUR YOUTH ARE HIGH SCHOOL DROPOUTS WHO LACK THE TRAINING NECESSARY TO ENTER THE WORKFORCE.

TO BE SUCCESSFUL, THE SECRETARY OF LABOR MUST BE INVOLVED WITH THE FULL RANGE OF ECONOMIC, TRADE, EDUCATION AND FAMILY ISSUES. I URGE YOU TO BE AN ACTIVIST SECRETARY WHO IS NOT BASHFUL ABOUT PARTICIPATING IN THIS NEW, BROADENED LABOR AGENDA.

BEFORE WE HEAR ABOUT YOUR PLANS FOR THE DEPARTMENT, I WOULD LIKE TO SHARE WITH YOU SOME OF MY SPECIAL CONCERNS -- ONES THAT I HOPE WILL ALSO BE IMPORTANT TO THE LABOR DEPARTMENT.

WITH CLOSE TO 61 PERCENT OF WOMEN WITH YOUNG CHILDREN WORKING, AFFORDABLE AND GOOD QUALITY CHILD CARE IS ESSENTIAL. THE LEGISLATION I AUTHORED IN THE LAST CONGRESS -- AND THAT I WILL REINTRODUCE ON JANUARY 25TH -- WOULD SET UP A COMPREHENSIVE PROGRAM THAT CREATES A PARTNERSHIP BETWEEN THE FEDERAL GOVERNMENT, STATE AND LOCAL GOVERNMENT, AND THE PARENTS WHO ARE CHOOSING THE BEST OPTION FOR THEIR CHILDREN. I THINK ITS STRENGTH IS THE FOCUS ON THE CHILD CARE SYSTEM ITSELF; NOT ONLY WILL PARENTS GET ASSISTANCE IN PAYING FOR CHILD CARE, BUT THE SUPPLY OF GOOD QUALITY CARE WILL BE INCREASED. I AM ENCOURAGED BY THE EXTENSIVE INTEREST IN THIS ISSUE AND LOOK FORWARD TO WORKING WITH YOU AND THE ADMINISTRATION TO FORGE BALANCED LEGISLATION THAT STRENGTHENS THE CHILD CARE SYSTEM IN THIS COUNTRY.

THE SAME FAMILY NEEDS THAT CALL FOR CHILD CARE LEGISLATION ALSO REQUIRE A NATIONAL POLICY FOR PARENTAL AND MEDICAL LEAVE. IN SEVEN HEARINGS LAST YEAR, I HEARD STORIES OF THE TERRIBLE TOLL

TAKEN WHEN WORKERS MUST RISK THEIR JOBS TO TAKE CARE OF THEIR FAMILIES. JOB PROTECTION DURING A FAMILY OR MEDICAL CRISIS SHOULD BE A MINIMUM STANDARD FOR OUR NATION'S WORKERS. UNFORTUNATELY, ALTHOUGH MANY EMPLOYERS HAVE INSTITUTED EXCELLENT POLICIES IN THIS AREA, TOO MANY WORKERS ARE LEFT WITHOUT PROTECTION. I HOPE THAT UNDER YOUR LEADERSHIP THE LABOR DEPARTMENT WILL WORK WITH US TO ASSURE THAT WORKERS DO NOT HAVE TO CHOOSE BETWEEN THEIR JOBS AND THEIR FAMILIES.

YOU MAY NOT BE AWARE THAT I WILL BE GETTING A NEW ASSIGNMENT ON THE BANKING COMMITTEE, CHAIRING THE SECURITIES SUBCOMMITTEE. THAT LEADS ME TO ANOTHER AREA I WANT TO TOUCH ON JUST BRIEFLY -- THE IMPLICATIONS FOR PENSION FUNDS IN A SECURITIES MARKET THAT IS BECOMING AN INSTITUTIONAL MARKET. IT IS ESTIMATED THAT PENSION FUNDS WILL HOLD ABOUT HALF OF ALL CORPORATE STOCK BY THE YEAR 2000.

MANY PEOPLE ARE CONCERNED THAT PENSION FUND MANAGERS, LIKE MANY INSTITUTIONAL INVESTORS, HAVE VERY SHORT TERM HORIZONS. EXPERTS SAY ACTIVITY BY THESE FUNDS HAS FUELED MORE SPECULATION AND A HIGHER LEVEL OF TURNOVER IN THE MARKETS. OUR CAPITAL MARKETS AND, INDEED, THE WAY MAJOR CORPORATIONS ARE GOVERNED IN THIS COUNTRY, ARE GREATLY INFLUENCED BY THE BEHAVIOR OF MANAGERS OF PENSION FUND MONEY. AND THEIR BEHAVIOR, IN TURN, IS LARGELY INFLUENCED BY ERISA, WHICH IS NOW YOUR RESPONSIBILITY.

THIS IS AN EXTREMELY COMPLICATED, BUT VERY IMPORTANT, AREA. I HOPE YOU WILL DEVOTE ATTENTION TO IT.

WITHIN THE NEXT FEW WEEKS I INTEND TO INTRODUCE VOLUNTEER SERVICE LEGISLATION THAT WOULD MAKE FEDERAL MATCHING FUNDS AVAILABLE TO STATE AND LOCAL VOLUNTEER PROGRAMS TO ENCOURAGE YOUTHS TO INVEST IN THEIR COMMUNITIES AND ENVIRONMENT. MY LEGISLATION WILL BE ONE OF MANY BEING PROPOSED BY THE ADMINISTRATION AND CONGRESS IN THE UPCOMING WEEKS.

IT SEEMS TO ME THAT THE DEPARTMENT HAS AN IMPORTANT ROLE TO PLAY IN PROTECTING THE RIGHTS OF THE VOLUNTEERS, PREVENTING DISPLACEMENT OF ADULT WORKERS, SUPPORTING A YOUTH SERVICE THAT ENCOURAGES EDUCATION AND TRAINING OPPORTUNITIES AND RECOMMENDING AREAS WHERE YOUTH VOLUNTEERS MIGHT BE OF GREATEST SERVICE TO THEIR COMMUNITIES. THEREFORE, I HOPE YOU WILL HELP THE ADMINISTRATION AND THE CONGRESS DEVISE A VOLUNTEER SERVICE SYSTEM THAT APPROPRIATELY ADDRESSES THESE CONCERNS.

ANOTHER CONCERN OF MINE IS THAT YOU GIVE SPECIAL ATTENTION TO IMPROVING THE PERFORMANCE OF THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION. WHILE THE AGENCY RECENTLY PROMULGATED REGULATIONS FOR 100'S OF WORKPLACE HAZARDS, MORE WORK REMAINS TO BE DONE.

ONE PARTICULAR AREA OF INTEREST I HAVE IS IN OSHA'S PERFORMANCE RELATING TO THE CONSTRUCTION INDUSTRY. LAST YEAR, I

CHAIRED A HEARING WHICH EXAMINED THE ENFORCEMENT OF SAFETY AND HEALTH STANDARDS OF OSHA, WITH A PARTICULAR FOCUS ON THE TRAGEDY OF THE L'AMBIANCE PLAZA BUILDING COLLAPSE WHICH OCCURRED IN MY HOME STATE OF CONNECTICUT IN 1987. FOR THE PAST SEVERAL MONTHS, MY STAFF HAS BEEN WORKING ON COMPREHENSIVE LEGISLATION DEALING WITH IMPROVING SAFETY IN THE CONSTRUCTION INDUSTRY. WE HOPE TO INTRODUCE THAT LEGISLATION NEXT MONTH AND LOOK FORWARD TO THE DEPARTMENT'S FEEDBACK.

FINALLY, A KEY COMPONENT OF THE DECADE LONG DEBATE OVER CHANGES IN THE TORT SYSTEM WITH REGARD TO PRODUCT LIABILITY HAS BEEN THE THE INADEQUACY OF FIRST PARTY INSURANCE. INASMUCH AS MORE THAN HALF THE ECONOMIC LOSSES ARE THE RESULT OF WORKPLACE-RELATED ACCIDENTS, I THINK WE NEED A BETTER UNDERSTANDING OF WHY THESE INSURANCE SYSTEMS ARE FAILING WORKERS.

THE LONGSHOREMAN AND HARBOR WORKERS' COMPENSATION ACT, WHICH THE LABOR DEPARTMENT ADMINISTERS, HAS AN EXCELLENCE REPUTATION, FAR BETTER THAN THAT OF STATE WORKER COMPENSATION LAWS. I WONDER IF THE LABOR DEPARTMENT UNDER YOUR GUIDANCE COULD BE ENCOURAGED TO ASSESS HOW THE LONGSHOREMAN'S ACT AND THE WORKERS' COMPENSATION LAWS ARE WORKING WITH RESPECT TO SUCH ISSUES AS THE ADEQUACY AND TIMELINESS OF BENEFITS AS WELL AS THE ABILITY OF THE SYSTEM TO ADDRESS OCCUPATIONAL DISEASES? ARMED WITH SUCH INFORMATION, THE CONGRESS AND THE ADMINISTRATION WOULD BOTH BE BETTER PREPARED TO ASSESS ALTERNATIVES TO THE EXISTING TORT SYSTEM, BE IT FOR PRODUCT LIABILITY OR FOR AUTOMOBILE ACCIDENTS.

THANK YOU, LIDDY. I LOOK FORWARD TO GETTING YOUR VIEWS ON SOME OF THESE ISSUES DURING THE QUESTION AND ANSWER PERIOD. MORE IMPORTANTLY, I HOPE YOUR DEPARTMENT AND MY OFFICE CAN WORK ON THESE ISSUES DURING THE 101ST CONGRESS.

The CHAIRMAN. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I have a statement that I will ask unanimous consent be placed in the record, and I will say just a word to save time.

The CHAIRMAN. All the statements will be included in the record as if read.

Senator THURMOND. I do not think President-elect Bush could have chosen a finer person to be Secretary of Labor. Mrs. Dole is able, she is persevering, she is aggressive, she has character and integrity, she is always courteous, she is devoted to her duties, and in my opinion she possesses all the fine qualities to make an outstanding Secretary of Labor—or fill any other position.

And I predict one of these days, she will be the first President of the United States.

The CHAIRMAN. You did not say that when Bob Dole was in the room. [Laughter.]

Senator THURMOND. I said the first woman President.

Senator MIKULSKI. Would the gentleman yield? [Laughter.]

You have two other competitors here.

Senator THURMOND. I do not know who they are, but they would have to be mighty good to compete with Mrs. Dole.

In the second place, I want to say that I am very pleased to see the President select a lady for this position. When I came along, years ago, only men filled positions. When I came to the Senate 34 years ago, only men were here. It is only in recent years that women have come into their own.

Times have changed. We have got to recognize that women are our peers, that they are our equals, and that they do have brains and merit and qualifications. And I am very pleased that the President has chosen an outstanding, fine, able lady for this position.

Thank you.

[The prepared statement of Senator Thurmond follows:]

STATEMENT BY SENATOR STROM THURMOND (R.-S.C.) BEFORE THE FULL SENATE LABOR AND HUMAN RESOURCES COMMITTEE REFERENCE CONSIDERATION OF SECRETARY OF LABOR NOMINEE, ELIZABETH HANFORD DOLE, JANUARY 19, 1989, 2:30 P.M., SD-430.

MR. CHAIRMAN:

I commend you for scheduling this hearing and moving quickly on the nomination of Elizabeth Hanford Dole to be Secretary of Labor. It is a pleasure for me to strongly support her nomination.

Mr. Chairman, Mrs. Dole possesses excellent qualifications for the position of Secretary of Labor. A native of North Carolina, she graduated with distinction from Duke University, where she was President of the Student Body, and was elected to Phi Beta Kappa. She continued her studies at Harvard University, where she earned a masters degree and a law degree.

Mrs. Dole's career in public service began at the Department of Health, Education and Welfare, where she handled programs for the education of the handicapped. Under President Nixon, Mrs. Dole served as the Executive Director of the President's Committee on Consumer Interests, and she later became the Deputy Director of the White House Office of Consumer Affairs. Mrs. Dole has also been a member of the Federal Trade Commission, serving for six years.

Elizabeth Dole's remarkable ability to deal compassionately and effectively with people from all walks of life led to her being named as Assistant to President Reagan for Public Liaison. In that position, she served with dedication and distinction as the President's Goodwill Ambassador to business, labor and other constituencies, with oftentimes diverse interests.

In 1983, Mrs. Dole became the eighth Secretary of Transportation of the United States. She was the longest serving Secretary of Transportation since the Department was created in 1967.

At the Department of Transportation, Mrs. Dole set policy direction for our Nation's aviation, highway, railroad, mass transit and maritime resources. She also became the first woman to head a branch of the armed services, the United States Coast Guard. During Mrs. Dole's tenure, the Coast Guard played a leading role in our country's drug interdiction effort. Also, as Secretary of Transportation, Mrs. Dole accomplished major economic and safety reforms spanning all modes of transportation, as well as demonstrated her effectiveness as an advocate of the Reagan Administration's policies, which have led to the last six years of unprecedented economic expansion.

For thirteen years, Elizabeth Dole has been the loving wife of our distinguished Minority Leader, Senator Robert Dole. If ever a task required a quick wit and engaging personality, that position does. All who have had the pleasure of knowing her, as Mrs. Thurmond and I have, will certainly agree that Mrs. Dole is one of the most able, dedicated, and attractive women in public service today.

Mr. Chairman, Mrs. Dole has exhibited those traits of character and intellect which will serve her well as Secretary of Labor. I am certain that, in this post, as in all of the others that she has held, she will serve her country and her President with the utmost distinction.

Accordingly, Mr. Chairman, I urge my colleagues to support her confirmation.

Mrs. Dole, we are glad to have you here today. I am sure that the Members of this Committee will benefit from your testimony and your service after you become Secretary of Labor.

-END-

The CHAIRMAN. Senator Simon.

Senator SIMON. Thank you, Mr. Chairman.

I just want to join also in saying I am very pleased with this nomination. And what pleases me is, frankly, the sensitivity that you and Bob have shown to those who are less fortunate.

Bob Dole does not get any votes in Kansas by fighting for food stamps, for example. And in that opening statement that you made when the President announced your selection, you talked about going and having lunch with the homeless; you talked about this man who said, "All I want is a job." Those kinds of people fall through the cracks.

Senator Sanford mentioned your expertise in brakes, something I was not aware of until this meeting. In a very real sense, you are the "brakes" for our society. We put on the brakes to save people. You have to put on the brakes in the area of industrial safety, for people in mines, and the people who fall through the cracks in our society. We still have too many of them. We ignore them so easily because of how we finance campaigns and who we see lobbying us. You are going to have to be our conscience and tell us about the people who have been forgotten in our society. We welcome you here.

The CHAIRMAN. Senator Coats, we welcome you as well and look forward to your participation. We recognize you for whatever comments you would like to make.

Senator COATS. Thank you, Mr. Chairman.

I am very pleased to be the newest Member of the Senate and particularly pleased to be a member of this committee. It is one which I sought, because it deals with a number of issues in which I have a personal interest and look forward to working with you and my colleagues, some of whom I have worked with in the House and now have the opportunity to work with here in the Senate.

I cannot think of a more pleasant first task as a member of this committee than voting to confirm Mrs. Dole as the new Secretary of Labor. I have had the opportunity to work with you and know you personally and have just the highest regard, as I hope you know.

I am ready to vote, but I understand there are procedures that have to be followed, and so in that light I will ask you a few perfunctory questions. But I know your qualifications, and you have met the test, and you will be an outstanding Cabinet Secretary of Labor, and I cannot tell you how much I look forward to working with you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Harkin.

Senator HARKIN. Thank you, Mr. Chairman.

I just want to join with my colleagues in congratulating you on this nomination and to wish you the best and to tell you that I, too, want to join with my colleague Paul Simon in echoing what he said. As chairman of the Handicapped Subcommittee, I hope and trust that you will take a special interest in forwarding the cause of jobs for the handicapped, in making sure that, again, we change the thinking that has been prevalent in our society from looking at people with handicaps and seeing what they cannot do to looking at them and seeing what they can do. It is an attitudinal change

that is taking place in our society today, and more and more we are seeing that people with handicaps, sometimes with handicaps that have been very severe, are able to do jobs, able to function well in society with just a minimal amount of support. There is legislation that will be pending here that will impinge on that which will be coming through the Congress again this year.

So I know of your sensitivity to that issue, and I look forward as the chair of the Handicapped Subcommittee to working with you on this issue, and again, just to wish you the best of luck.

The CHAIRMAN. Senator Adams.

Senator ADAMS. Thank you, Mr. Chairman.

Elizabeth, welcome. I enjoyed working with you when you were in the White House and I was in Congress and, Madam Secretary, the shared experiences at the Department of Transportation, and I have nothing but the highest of admiration for the manner in which that Department was conducted. You are a fine administrator and a person who understands not only government, but still has the heart to carry it out.

During the course of this year, we will be leaning on you very heavily for help and assistance in things that affect a part of America that just has a very difficult time now.

I know the minimum wage will come up again. Senator Mikulski and I have been very concerned about that, and concerned about whether people have health benefits as they are doing this.

I know the words "OSHA" have had an unpopular sound throughout the land, but I happen to be interested in standards like that applying in nuclear plants, for example, and in the new airplane plants, where we are dealing with very difficult and unusual new substances.

This is a great challenge for you. I cannot think of a better person to be there. I know that I look forward, Liddy, to working with you during the course of the period of time that you are there. And I think, Mr. Chairman and Senator Hatch, that we are very fortunate to have a Secretary who not only has experience in this very difficult area—and I consider the Labor Department a difficult area to manage—but also has a nice, pleasant personality and so will help make all of us act in our usual gentlemanly fashion.

Thank you very much, Madam Secretary. We welcome you and are pleased that you are here.

The CHAIRMAN. Senator Mikulski.

Senator MIKULSKI. Thank you very much, Mr. Chairman.

I am the last one to speak, but Mrs. Dole, when you called me on Christmas Eve to tell me that George Bush had picked you to be the Secretary of Labor—back in the House days, when I was on the Energy and Commerce Committee and you were over at DOT, I had a firsthand opportunity to see both your competency and your compassion. While we were dealing with the difficult management issues, for example, about selling Conrail, you also had very high on your priority safety, whether it is on highways, byways, or airlines.

I know you will bring that competency and compassion to the Department of Labor.

This committee and you have to get our work force ready for the 21st century. We not only have to get our work force ready, but our

workplace ready. And too often, the workplace accepts the fact that women and minorities and immigrants are coming, but they have not changed their policies around daycare, flexible policies, and so many other things.

So we look forward to that. And I know of your commitment, and mine, to voluntarism. George Bush wants to have a thousand points of light. I would hope that we would work together to triple that by Memorial Day. We look forward to working with you.

[Responses of Mrs. Dole to questions submitted by Senator Mikulski follow:]

QUESTIONS FROM SENATOR MIKULSKI

WORK-FAMILY POLICIES

QUESTION:

You said in your testimony that we must encourage progressive work-family policies on the part of businesses and unions. How shall we do this?

ANSWER:

Presently, dependent care issues (child care and eldercare) are at the center of employees' needs for balancing work and family responsibilities. Employers are beginning to reshape their workplace policies to support employees' work and family concerns. Such policies help to attract and retain quality workers in the face of growing labor shortages.

DOL can do much to encourage this communication by providing information and technical assistance to employers concerning work and family issues as well as being a model employer. On January 9, the Women's Bureau of the Department of Labor opened its Work and Family Clearinghouse. The Clearinghouse was designed to assist employers in identifying the most appropriate policies for responding to the dependent care needs of employers who are seeking to balance their dual responsibilities of work and family. The Clearinghouse will respond to both written and telephone (202/523-4486) inquires and is open 11:00 a.m. - 4:00 p.m. Monday-Thursday and to 3:00 p.m. on Fridays.

In addition, the Women's Bureau has published a Work and Family Resource Kit for employers which will soon be joined by another publication, "Employers and Child Care Services: Benefitting Work and Family."

At the same time, the Department of Labor has had an on-site child care center for its employees for many years. Recently, the Department has begun other child care related programs throughout its regional offices, including GSA sponsored centers and resource and referral services. Communication and information can be enhanced by private-public sponsorship of work family conferences and fairs where information and examples of model programs can be exchanged and discussed.

The Women's Bureau has conducted its second annual Work and Family Expo (fair) to help DOL employees identify resources at work and in their local communities to help them meet their work and family responsibilities. The objective of the Women's Bureau is to have other federal agencies replicate Expo in their workplace.

CHILD CARE CRISIS

QUESTION:

Do you believe we are facing a child care crisis in this country? As secretary of labor, what steps will you take to address this problem? Do you have particular solutions in mind for the federal workforce?

ANSWER:

The increased participation of women with children in the labor force has created work and family tensions for both men and women. Many positive steps have been taken by employers and communities on a number of facets of the child care challenge. I personally look forward to encouraging the cooperation of business, labor, and government at all levels in developing further creative approaches to these issues.

I certainly recognize the importance of child care to parents and to the continued health of business and the workforce in the United States, and I look forward to working closely with the Committee to develop appropriate child care legislation. As I testified during my confirmation hearings, it is important that the policy address child care needs while maximizing choice for parents without slowing economic growth or limiting opportunity for jobs.

With respect to the Federal workforce, several Federal agencies have begun to be responsive to their needs during the past few years. OPM, GSA, and the Social Security Administration have implemented child care resource and referral services; more than a dozen Federal agencies, including the Department of Transportation which I previously headed, have on-site centers in the nation's Capitol, and GSA has the responsibility for increasing the supply of child care facilities throughout the Federal sector. Further the IRS has a mandate regarding other types of child care assistance stemming from Sections 125 and 129 of the Internal Revenue Code. I would hope to bring together the experience and expertise of these and other Federal agencies to see how we can benefit from the variety of approaches that are being implemen- ted, and further the development of programs appropriate to the needs of the Federal worker.

TAX CREDIT APPROACH

QUESTION:

Do you believe that a tax credit approach alone will address the issues of safety, supply, and availability?

ANSWER:

I believe that the tax credit approach gives parents desirable flexibility in choosing how their child or children should be cared for, which we believe is an important principle of Federal child care policy.

With regard to safety, as I pointed out during my confirmation hearing, I believe this is an area for State, not Federal, regulation, and States are already doing this. I believe that parental involvement and education will help to ensure quality, as will training of child care providers.

I assure you that in analyzing what new approaches the Federal government should take in the area of child care, we will carefully consider how they contribute to child care availability and safety.

EFFECT OF INADEQUATE CHILDCARE ARRANGEMENTS

QUESTION:

What do you believe is the effect of inadequate childcare arrangements on our workforce?

ANSWER:

Although there has not been extensive research designed specifically to quantify the impact of inadequate childcare arrangements on our workforce, there is a growing recognition by employers that the conflicts faced by working parents can adversely affect the productivity and morale of workers. Employers who have established programs testify to their value as having "bottom line" implications, particularly in the area of recruitment, retention, productivity, and labor management relations. Employers are beginning to reshape their workplace policies to support the needs of working families.

Companies that offer some form of child care assistance report higher employee retention rate. For example, Control Data Corporation of Minneapolis conducted a 20 month study of 90 employees, and found center users' turnover was 1.7 percent, as compared to 6.3 percent for other employees.

Other companies reporting such improvements include Nyloncraft of Mishewauka, Indiana, and California's Union Bank in Monterey Park.

Also, the Women's Bureau has found other businesses reporting lowered absenteeism, higher productivity and improved morale where child care policies are in place.

PRIVATE SECTOR

QUESTION:

How can we encourage private sector involvement in the development and delivery of child care services ?

ANSWER:

Employee sponsored child care assistance has grown substantially over the last decade in response to increased awareness of the needs of working parents.

One way to encourage private sector involvement is by recognizing those employers who have established exemplary programs. I intend to continue Secretary McLaughlin's awards begun in 1988, which recently honored companies for their role in providing child care services for their employees. We will also support the Women's Bureau's ongoing technical assistance to companies, researchers and unions that seek to develop child care programs and alternatives.

We hope to work with the States to increase their involvement in technical assistance to the private sector and become a catalyst for exchanging information to assist the private sector by increasing knowledge about child care. We see the Work and Family Clearinghouse as an effective tool in this effort.

VOLUNTEERISM

QUESTION:

I am concerned about the decline of a sense of volunteerism in this country. Do you share that concern, and what can we do about it?

ANSWER:

Yes, I wholeheartedly share your concern about volunteerism and as we discussed, am committed to focus attention on the issue. The President also believes this is an important area. He has put this concern into action by designating high-level staff in the White House to work on volunteerism. The Department, particularly the Employment and Training Administration, promotes volunteerism through the Job Training Partnership Act program. JTPA is directed locally through a system of Private Industry Councils led by thousands of business men and women who volunteer their time and energy to plan and direct effective and cost efficient training. In some cities this had led or contributed to effective multi-lateral arrangements to assist youth. These agreements have involved businesses "adopting" schools to increase the incidence of successful high school completion and job attainment.

We can and will continue to encourage volunteerism through the JTPA system.

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NATIONAL SERVICE LEGISLATION

QUESTION:

I have a national service proposal. While I'd love to have you endorse it right now, I don't expect that--but what are your thoughts about the importance of a national service bill?

ANSWER:

I believe that some form of national service is worthy of very serious consideration, particularly if such a service incorporates training and remedial education components. With so many of our young people leaving school with poor literacy skills and ill prepared for analytical thinking, they will need help in giving help. I am also interested in linking such service to post-secondary education or vocational training, particularly for disadvantaged youth.

WOMEN ENTERING OR REENTERING WORKFORCE TODAY

QUESTION:

What do you feel are the barriers to employment for women trying to enter or reenter the workforce today?

ANSWER:

The barriers that women face today vary by age and by currency of job preparation and training. Some young women who are new entrants to the labor force find they lack education and training directly related to the labor market which they seek to enter. Many continue to seek traditional opportunities because of lack of exposure in their high school and post-high school curriculums to knowledge of the broad range of options available to them. Many continue to study the traditional courses, skipping mathematics and science-based courses which will enable them to obtain some of the newer and growing opportunities. Many young women still educate themselves unaware of the reality that 90 percent or more will be a part of the labor force at some point in their lives and for increasingly long periods of time.

The Women's Bureau in the Department has developed an innovative curriculum unit introducing a wide range of jobs and career options. Known as "Women in Nontraditional Careers" (WINC) it can be adapted by various kinds of educational and training institutions for both younger and older women and men.

More mature women who most often are reentrants to the work force also suffer from a lack of labor market knowledge. In addition, many have outdated or inadequate skills that are unrelated to the current requirements of the jobs they seek. Overlying these problems, many women who are reentering the labor force require counseling and support to enhance their self confidence. The Women's Bureau actively supports the Displaced Homemaker Network which provides pre-vocational and reentry training and counseling for mature women.

Immigrant and Native American women often meet language and cultural differences. They must become acclimated while learning about the world of work and the need to continue increasing their skill levels.

All of these women may also meet barriers related to a lack of support for their family situations. Those who have children or elderly relatives to care for often find little sympathy or flexibility in the labor market for their multiple roles and competing priorities.

Another employment barrier often experienced by inner-city, poor and rural women is the lack of inexpensive and reliable transportation to sites of employment and training. Recent job growth

has been greater in the fringes of the cities, largely inaccessible both to the rural and central city populations. The JTPA allows for such support services as needed.

Another group of barriers relate to expectations and labor market bias. We are very proud of the progress women have already made in the labor force, particularly among the well-prepared. At the same time, we are aware that discrimination still exists. It makes no sense and must not be tolerated in view of the projected labor shortages and the primacy of women among new entrants to the labor force during the next dozen years. I will work with you to help eliminate the vestiges of sex discrimination in the work place.

The CHAIRMAN. Thank you very much.

Madam Secretary, we look forward to hearing from you.

STATEMENT OF ELIZABETH HANFORD DOLE, NOMINATED TO BE SECRETARY-DESIGNATE, U.S. DEPARTMENT OF LABOR

Mrs. DOLE. Thank you very much, Mr. Chairman.

It is a great joy and honor to appear before you today. I appreciate very much the speed with which you have scheduled this hearing, and I thank you for the courtesy which each of you has shown me during the confirmation process. And certainly, I thank you very much for the comments that have been made this morning. This has been a very special time for me, and I know that it is going to be a joy to work with each of you, and I look forward to following up on the issues that you have mentioned already in the opening statements.

I am honored to have been chosen by President-elect Bush to be his Secretary of Labor, and like the President-elect, I have built my life on the ideal of public service. This opportunity, Mr. Chairman, represents to me much more than a job or a career choice—rather, it is a personal commitment akin to a special calling.

As I prepare to take on the responsibilities of this office if confirmed, I am encouraged, as we are all encouraged, by the record economic growth of recent years. Since November 1982, the economy has created 19 million new jobs, over 90 percent of which have been full-time positions. Unemployment is at an all-time, 14-year low. And inflation has been cut to one-third of its 1980 level.

Our growing economy has created two and a half times the number of new jobs of our six largest industrialized competitors combined. And in the future, I am convinced that a vibrant, job-creating economy will be the foundation for this country's social progress, our standard of living, and for our ability to compete abroad.

We must continue this pace of job creation and economic expansion. But growth is only part of a strategy to help working men and women—it is not a strategy in itself.

The mission of the Labor Department must be to coordinate a strategy of "growth plus"—growth, plus policies to help those for whom the jobs of the future are now out-of-reach, because of a skills gap, or because of family pressures, or because of a lack of supportive policies.

We have within our reach the fulfillment of a long-awaited dream—that every American who wants a job can have a job. That is something we have dreamed about, and to fulfill that dream for many Americans, we must bring about timely and coherent interventions—not simply by Government, but through the cooperation of private enterprise, unions, schools, and community leaders, to wipe out illiteracy and enhance skills through basic education, training and retraining. Only then can all Americans profit from growth by competing for the jobs that growth creates.

While demographics are not necessarily destiny, the future holds great challenges and great opportunities. The labor force will grow at only about one percent annually through the year 2000. The average age of the American worker will rise from 36 to 40 in the

next dozen years. While demand will increase, the supply of young teen-age workers will shrink. The workplace will see more women, more minorities, more disabled, and immigrants than ever before in our history.

Just as tomorrow's work force will change, so too the workplace of the future will undergo major changes. Tomorrow's jobs will demand higher cognitive abilities and talents. Workers will be recruited more for ready skills than for able bodies. Future jobs will require constant training and upgrading of skills.

Finally, as we are woven ever more tightly into a global economy, America's ability to compete internationally will largely depend on the productivity of its work force.

For American businesses to compete successfully in the global market, they must first compete successfully for workers in the domestic labor market. This is good news for U.S. working men and women, because it means that issues once defined as social problems will be dealt with more out of economic necessity.

In tighter labor markets, for example, employers cannot afford to discriminate. They cannot afford to put workers at health and safety risks. In tighter labor markets, they cannot afford to ignore workers' obligations to family. Employers who do will simply lose out to employers who do not. Such employers will falter or fail—and they deserve to.

Mr. Chairman, I am indeed honored to succeed Secretaries Brock and McLaughlin, who first recognized this challenge. Their work changed the terms by which we understand the imperatives before us. They began to move the Department of Labor into a more pivotal, dynamic role on behalf of America's workers. They did much to develop the Department, if you will, into this country's largest and most effective human resources consulting firm.

We have an important opportunity in which to build a new partnership between America's industries and workers. It calls for that new human resource policy—a strategy of "growth plus"—in which investment in our work force becomes the primary goal.

As I see it, the mission of the Department of Labor will encompass five major objectives.

First, we must ensure that American workers are the world's best-trained and most highly skilled, placing special emphasis on the disadvantaged among us to ensure their full participation in the opportunity that lies ahead.

Second, we must develop policies that make work and family complementary rather than competing activities.

Third, we must develop a sound and comprehensive pension policy that brings a measure of rationality to the demographic and social changes now upon us.

Fourth, we must ensure that the American workplace is as safe and secure as we can make it.

And finally, we must see that relationships between management and labor continue to move beyond the tradition of advocacy and conflict, beyond confrontation, toward productive and affirmative cooperation on behalf of interests held in common.

Mr. Chairman, economic growth and labor market pressures present us with an unprecedented opportunity. Now is the time to act, to destroy the haunting possibility of a permanent underclass

of "unemployables", and to move toward a society that ensures that its young people, its minorities, its disadvantaged, its older citizens, and all of its working families are equipped with the skills and the support they need, both to seize their share of prosperity and to help to create more of it.

We have already started to do that with the Job Training Partnership Act, which combines the energy of local government and business with Federal resources to train workers. I salute the Chairman and Vice President-elect Quayle for their vision. And what is more effective in the war on drugs, alcoholism, crime and poverty than a good job?

The JTPA is currently under review by a broad-based commission, which should finish its work in a month or so. From their report, I know we can work together to make a good program even better. We must better stress accomplishment in this program by refining the standards that measure performance.

I know that the Congress is more concerned about a more targeted approach under JTPA, and I share the goal of achieving it. Obviously, coordination between JTPA and other programs throughout the Government is absolutely necessary and essential. And most importantly, we must improve JTPA's ability to target the hardcore unemployed.

The workplace of the future will have little use for workers who are illiterate or functionally incapable of adapting to new skills requirements. We cannot afford to keep graduating young men and women who cannot read well enough on the job to follow instructions or understand safety warnings. We must reduce the 20 million or so adults who are functionally illiterate by setting a national literacy goal, enhancing literacy instruction in all training programs with a particular focus on JTPA, making special adult literacy programs available at or near the workplace, and exploring new, non-threatening, non-stigmatizing ways to reach people, such as television programming, video disks, and computer-assisted instruction.

I believe that the war on illiteracy can be won—particularly with the continued public commitment and superb leadership of Barbara Bush.

As competition for able workers increases, managers will be forced to pay more attention to the concerns of the work force. To recruit better employees or to keep them, companies are starting to offer new benefits that today's workers need—often providing a range of services and allowing the employee a greater degree of choice.

The chief concern of any employe nowadays is likely to be the family. Family concerns range from child care to parental leave to health, to retirement, to elder care. Certainly, these are public concerns because of the great changes in family structure that we have experienced over the last generation, and Government has a role, a very positive role, in helping to balance the dual responsibilities of work and family. The question is how the Government can best help parents without slowing economic growth—and limiting the opportunities for jobs.

Many businesses are already out front with policies to help working families. But I believe it is time we got even more of American

enterprise ahead of the curve by encouraging progressive work-family policies on the part of businesses and unions, rather than mandating solutions of the lowest common denominator.

In support of the President-elect's stated interest in enlightened, supportive child care policy, I intend to be very active, Mr. Chairman, in pursuing with you a child care policy for this country. I believe that such a policy should enable parents, particularly those with low incomes, to choose the type of child care they prefer among the wide variety of options now available.

I hope we can focus together on pension policy. We need to think ahead and make sure the baby boomers will be able to retire as their parents have. That means we must develop a comprehensive strategy that considers the role of Social Security, private pensions, as well as personal savings, in providing for the next generation's retirement. It is essential in this increasingly tight budgetary era that pension policy be a considered policy, and not merely an offshoot of tax policy.

And there is a lot to consider. Workers are more mobile today than a generation ago. That means fewer will be able to accrue substantial pension rights. How can we make pension more portable? We must be ever-conscious of the fact that our private pension system is voluntary; that business must have the incentive to offer pensions. I look forward to working with you and the Members of the Committee on this very important issue.

A significant part of a commitment to our work force is the health and safety of the workplace. Both OSHA and MSHA have had a significant role in improving the safety of the workplace over the past years. I believe we must push for new ways to make the process more efficient.

First, in looking to the future, we all too frequently focus on correction of past mistakes rather than prevention. We need to anticipate the workplace of the future—in the mines, in the factories, in the offices of America. We must understand that health and safety issues are going to arise in the future. We must build an effective response to those health and safety issues before the problems occur. And we must consider the rapid advance of technology and the tools that will be at our disposal, such as video display terminals.

As Secretary of Labor, I will convene a group of leaders from labor, industry, academia and Government to identify new workplace risks and begin drafting new policies and process options on a partnership basis.

We will improve our safety rulemaking process, and the pace with which it is conducted. With generic rules and the new move to mediate rules, we can be more effective and more efficient—and there is a difference between those two words—and hopefully, less contentious.

I am committed to a vigorous enforcement program, and I am committed to ensuring the integrity of the data upon which we base our enforcement decisions.

Mr. Chairman, I can hardly conclude this afternoon without paying tribute to those millions of our countrymen living and past who fought the good fight so that each of us could realize the digni-

ty of labor. Because of them, the promise of democracy is brighter, truer, and more universally recognized.

Elizabeth Duncan Koontz died last week, ending a special education career that spanned five decades, and a love of humanity that lasted until her final breath. As a fellow native of Salisbury, North Carolina, I got to know this profound teacher early. I cheered her prominence as the first black President of the National Education Association. I admired her many accomplishments in the classroom. And I followed with admiration her service as Director of the Women's Bureau at the Department of Labor.

Libby Koontz spent a lifetime encouraging each of us to realize our full potential. That is her legacy, and that is my inspiration.

Mr. Chairman, thank you for the opportunity to present these thoughts. I will be happy to take your questions.

[The biographical sketch of Mrs. Dole follows:]

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

PART I: ALL THE INFORMATION IN THIS PART WILL BE MADE PUBLIC

Name: Dole (LAST) Elizabeth (FIRST) Hanford (OTHER)

Position to which nominated: Secretary of Labor Date of nomination: 12/24/88 (announced)

Date of birth: 29 (DAY) 7 (MONTH) 36 (YEAR) Place of birth: Salisbury, NC

Marital status: Married Full name of spouse: Robert Joseph Dole

Name and ages of children: None

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Harvard Law School	1962-1965	L.L.B.	1965
Harvard University	1959-1960	M.A.T.	1960
Duke University	1954-1958	A.B.	1958
Boyden High School	1950-1954	H.S.	1954

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Duke University: Phi Beta Kappa; Leader of the Year; graduated "With Distinction" in political science; Algernon Sydney Sullivan Award (awarded to one man and one woman in graduating class); White Duchy (seven senior women chosen for leadership and scholarship); Phi Kappa Delta; Judicial Board; Pi Sigma Alpha; various other awards and student societies.

Harvard University: Pi Lambda Theta

Honorary Degrees: University of North Carolina at Chapel Hill, Wheaton College, Wartburg College, Daniel Webster College, Olivet Nazarene University, Northeastern University, Colby-Sawyer College, Livingstone College, St. Leo College, Clarke College, University of New Hampshire.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations for the last five years and any other prior memberships or offices you consider relevant.

Organization	Office held (if any)	Dates
National Council on the Aging*	Bd of Directors	4/79 - Present
Duke University - Fuqua School of Business*	Bd of Trustees	1/80 - Present
American Council on Young Political Leaders*	Bd of Trustees	5/82 - Present
Washington Opera**	Bd of Trustees	5/82 - Present
Harvard JFK School	Advisory Committee	4/82 - Present
Duke Comprehensive Cancer Center - Duke University	Honorary Chairman	1/80 - Present
Hanford's Inc.	Director	Ended 9/87

Employment record: List below all positions held since college, including the title or description of job, name of employer, location of work, and dates of inclusive employment.

U.S. Secretary of Transportation 1983-1987

Assistant to the President, Public Liaison, The White House, 1981-1983

Commissioner, Federal Trade Commission, 1973-1979

Deputy Director, U.S. Office of Consumer Affairs and President's Committee on Consumer Interests, 1969-1973

Associate Director of Legislative Affairs, President's Committee on Consumer Interests, 1968-1969

Attorney, private practice, Washington, DC 1967-1968

Staff Assistant, Department of Health, Education and Welfare, 1966-1967

* I will resign from these positions effective upon my confirmation.

** I resigned orally from this board in approximately 1986, which I have confirmed with a written letter of resignation dated January 13, 1989.

Government experience: List any advisory, consultative, honorary or other part-time service or positions with Federal, State, or local governments other than those listed above.

Director, National Rail Passenger Corportation, Washington DC (ex officio as Secretary of Transportation)

Published writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

Bob and Elizabeth Dole, The Doles: Unlimited Partners, Simon & Schuster (1988).

I am the author of numerous articles written in an official capacity and for no compensation or other personal financial benefit while an appointed Executive Branch official.

Political affiliations and activities: List all memberships and offices held in or financial contributions and services rendered to all political parties or election committees during the last five years.

I participated in the Presidential campaigns of Ronald Reagan in 1984 and George Bush in 1988. I also participated in my husband's campaigns for the Presidency and the United States Senate. I have not identified any political contributions during the past five years, but I have campaigned extensively for Republican candidates.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes

2. State whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

No

3. Has a commitment been made to you for employment after you leave Federal service?

No

4. Do you intend to serve the full term for which you have been appointed or until the next Presidential election, whichever is applicable?

Yes

Potential conflicts of interest:

1. Describe any financial arrangements, deferred compensation agreements or other continuing financial, business or professional dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None

2. List any investments, obligations, liabilities, or other financial relationships which constitute potential conflicts of interest with the position to which you have been nominated.

The Office of the Solicitor of Labor has reviewed both my husband's and my assets. Based upon their advice, I will divest my ownership of all common stock upon my confirmation. I own money market funds, municipal bonds, and real estate, as to which I will seek waivers from the Counsel to the President, as I understand have been granted to prior Secretaries of Labor. Pending the grant of such waivers, I will execute appropriate disqualifications as to such assets. Finally, I anticipate establishing a blind trust pursuant to the Ethics in Government Act and the rules of the Office of Government Ethics (as I had when I was Secretary of Transportation) for my assets following my confirmation. I believe, therefore, that under these circumstances there are no potential conflicts of interest

3. Describe any business relationship, dealing or financial transaction which you have had during the last five years whether for yourself, on behalf of a client, or acting as an agent, that constitutes a potential conflict of interest with the position to which you have been nominated.

The only matters potentially covered by this question concern my financial assets, as answered in the preceding question.

4. List any lobbying activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat or modification of any Federal legislation or of affecting the administration and execution of Federal law or policy.

None

5. Explain how you will resolve any potential conflict of interest that may be disclosed by your responses to the above items.

See answer to Question #2

The CHAIRMAN. Thank you very much, Madam Secretary. We will respect a 10-minute rule. I will instruct the clerk to inform the Senators when they have 30 seconds left of that 10-minute rule, and then we will move to a second round, and hopefully that will meet the needs of the committee, but we will continue to permit the questioning as long as there are questions, and I imagine there will be some questions that will be submitted later on.

So with that understanding, I will ask the clerk to begin to start the timekeeping.

Madam Secretary, as I mentioned in my opening comment, one of the priority items of concern to working people is the issue of the level of the minimum wage.

That was an issue which we addressed in this committee in the last session. We had an opportunity to discuss it at some length on the Floor during the final days of the last session.

We notice that President-elect Bush spoke in favor of increasing the minimum wage during the course of the Presidential campaign. At that time, he did not indicate what particular wage figures he was prepared to support or to recommend.

The $3.35 figure of the minimum wage has effectively lost 38 percent, effectively 40 percent of its purchasing power over the last 7 and a half, 8 years, and I am just wondering if there is anything that you can tell this committee, at this time, as to what the position of the Administration would be on this issue.

Mrs. DOLE. Mr. Chairman, certainly I look forward to working with you on this issue, and as you mentioned, President-elect Bush during the campaign did indicate that he would support an increase in the minimum wage [illegible] wage.

And at this point in time we have not had an opportunity to develop legislative agenda, [illegible] detail, the positions on some of these important issues that are going to be before the committee.

I suspect I would surprise you today if I had a detailed position to lay out, but I certainly look forward to working with you on this, and I will certainly welcome that opportunity soon, and I imagine that this will be coming early, and we will certainly be ready to cooperate with you.

The CHAIRMAN. Well, I would certainly welcome an early decision on that particular item. We want to obviously work with the Administration, but we also want to meet our responsibility to the 16 million people that would be affected by the type of a minimum wage legislation that we were considering during the last session of the Congress.

And I think it is important—I know I do not have to make this point to you—but I think it is always a worthwhile point to make—that we are not just talking about the figures, the $3.35 or the 40 cents addition, 40-cent follow-on—that we are really talking about real people and real families.

We had powerful testimony two years ago from a Shirley Slagel who was making the minimum wage, and whose husband was making the minimum wage. With all of the tensions that they had, trying to survive, with two members of their family making the minimum wage. Pressures on their family. They were trying to put food on the table and heat their home; meet their rent.

Pressures that they were receiving from neighbors and friends who said:

> Why don't you get smart? Get out of your job, go on and take the various public assistance programs. They have got greater dollar value. Save yourself a lot of anguish from working.

In these instances, full time, 8 hours a day, 5 days a week, 52 weeks of the year.

So these issues are questions of the dollars and cents, and have enormous impact—as you well understand—in terms of the family and quality of family life, as well as many other of the items that we will refer to during the course of this hearing.

But since her testimony it has been two years now, and she is still holding out. As you well know the greatest numbers of people that are receiving the minimum wage are women. The greatest numbers of people now that are falling into the category of poverty are children.

We are talking about heads of household who are women, primarily single. Children who are trying to grow up in an atmosphere where one parent is working at a minimum wage.

So this I think has enormous implications in terms of what we, as a society, are really going to say to those that, in many instances, are left out, and left behind.

So we will look forward to working with you, but when you take those increases, just to restore the purchasing power—and that is where we arrived at the figures that have been suggested in the legislation which we had introduced last year. Those figures were not picked out of thin air. They were based upon restoring the purchasing power for working people.

So I hope you would understand the sense of urgency which many members of this committee feel about this issue, but more importantly, the urgency which many of our fellow citizens feel about this issue, and that we can work in a cooperative way to move to something that really will restore the purchasing power of those that are on the bottom rung of the economic ladder, but are really ready and willing to work.

A second point. I know my good friend, Senator Dodd, has been a leader on this issue, on parental leave, as he has in day care and other issues, but I want to just mention a similar concern.

Since we debated that issue of parental leave, since last October, I inquired from the 9:00 to 5:00 group, which you are familiar with—they have a hot line, I think the only one in the country, which is available to primarily women in this case, although obviously the parental leave proposal that has been introduced affects the two members who are parents of a child.

The number of women that were being fired because they were taking that necessary time to give birth to a child. You know, it is always amazing to me when you get a question—is this a problem? You know, it is difficult for me to believe that it is, until you listen to people talk about that it is happening, and it continues to happen, and it is happening today.

And you read through those files of that 9:00 to 5:00 group, and about the people that have been fired, it is absolutely extraordinary what is happening in this country.

So this is an area, too, that I hope we can move on and move on rapidly. I know we have different views on some of these matters, but I wanted to give you an opportunity also, if you want to, to say what you might about that issue, and then we will move on quickly to others.

Mrs. DOLE. Fine. Yes, and certainly, as we look at the fact that with the 19 million new jobs that have been created since 1982, about two-thirds of those have gone to women, and looking to the future, between now and the year 2000, the projections are that new entrants will be composed of about two-thirds female as well.

So certainly these issues that involve the working family are important issues, and they are issues that we need to focus on, we need to deal with, we need to work together, to determine what is the best answer in terms of how assistance can be provided.

I am pleased to see that businesses are responding, in many cases, to this need now, and I think that one thing that most definitely has to be done is to encourage businesses to do even more in this respect, to be responsive to the needs of their employees, and certainly it is in their best interest to do it.

Because when some of these assistances are provided it increases productivity and it will decrease absenteeism. For example, we are talking about child care, and there are very definite reasons for a business to consider some of these things that we are mentioning today as being in their best interest as well as in the best interest of their employees.

The CHAIRMAN. I think you make that case well and I think there are many of us who believe it. Unfortunately, there are some that have not found that particular path. I have just a couple of minutes left.

Mrs. DOLE. Yes. I would just add one other point, which is what path we take obviously we will have to work through carefully because there are a number of ways that this could be achieved.

The CHAIRMAN. We have had extensive hearings on OSHA/MSHA regulations, and revealed what I consider to be scandalous conditions in terms of the Federal enforcement of existing OSHA and MSHA regulations.

We found instance after instance where the scientists in the Department of Labor would make recommendations, men and women, skilled in the law, skilled in understanding the real dangers that exist in the industrial areas of our country.

We had found instance where, after the scientists had made the recommendations, those were overruled by the Department of Labor, in some instances frequently overruled by OMB, that have virtually no scientific awareness, understanding, or competency to deal with issues which, in many instances, are life-and-death issues. The ventilation regulations, for example. I am not going to take a lot of time to go through that.

But I really want your assurance that you will examine that record, and that you will give us the assurance that this is going to be a high priority in your own Department, or in your own mind, a willingness to work with the committee to ensure that the kinds of suggestions and recommendations that were intended by the law to provide a safe and healthy work place, to the best extent that any

of these regulations can, will represent the best in terms of science and not the political pressures of the various industry groups.

Mrs. DOLE. Well, very definitely I am concerned about the safety and the health of our workers, and certainly, as I have mentioned in my opening statement, I think that we can do even more in terms of the procedures to expedite rulemaking, and I want to personally give you my commitment to ensuring the integrity of the data which is so important in this area.

And as far as the role of the Office of Management and Budget, there is a distinct role for the agency, there is a distinct role for the Secretary of Labor, and there is a distinct role for OMB which is one of coordination, and trying to determine that across Government there is coordination when a rule is being reviewed.

And I intend to sit down with the OMB Director to clarify the role of the Department, the role of the Office of Management and Budget and the ways in which we can expedite rulemaking through reviewing the mediation aspect, which is fairly new.

That certainly seems to hold promise. And also of course generic rulemaking. But I think that there are a number of things that can be done, starting with looking at the future. The future work force. What we might anticipate, while we are also trying to expedite our rules, so that by the time that a rule is completed the work place has not changed. I mean, we have got to expedite rules. We have got to ensure the integrity of the data. We want the workers to be involved in these procedures.

And certainly a strong enforcement program. But also looking to the future as to what sorts of problems we can anticipate and prevent, and what kinds of procedures we can utilize to make our programs even more effective.

It is an enormous challenge, but I think that there is a great deal that can be done in this area, and I do have a commitment to that.

The CHAIRMAN. My time has expired. I agree with everything you said about coordination. I think what I was talking about is effectively overriding the kind of scientific information and recommendations that have been made by the Department in the past.

I think your interest and assurances in this is extremely encouraging, and we will look forward to working closely with you. I thank you. Senator Hatch.

Senator HATCH. Mrs. Dole, with regard to minimum wage, we will be interested in what the Administration wants to do, but keep in mind, 86 percent of those on the minimum wage are not working poor. Only 14 percent are. And the idea of the training wage is very important because that takes care of the nonworking poor who really do not have a chance.

So I hope you stay firm with that particular concept because it is a good concept. Also, the Job Training Partnership Act, which in my opinion was one of the most significant pieces of legislation that this committee has developed in recent years, has been in effect for just a little over five years.

Many of us worked hard on that particular bill and have taken pride in its accomplishments to date. I know the Department has established a committee to review the JTPA, and I am sure you

will want to evaluate things very carefully before recommending changes in the Act.

So I would like you to really look that over and look at JTPA's strengths and its weaknesses and let us know what we can do to make it a better bill. But it has worked well.

You commented in your written testimony on the issue of mounting concern to families all over America regarding child care.

As you know, members of this committee—Senator Dodd, Senator Kennedy, Senator Mikulski, and a number of the other of us—have been very concerned about that problem.

Could you elaborate a little bit on some of the ways the Secretary of Labor could help to promote progress in that particular area.

Mrs. DOLE. Yes, and Senator Hatch, you have certainly been a moving force in this area, as have other members of the committee, Senator Dodd, of course, and the chairman, and I think that this is an area that is very important, and that hopefully we can work together, expeditiously, to come up with a plan that can be effective.

And as far as the Secretary of Labor, obviously, I would want to be very much involved in what the committee is developing and to urge that we provide as much choice as possible to parents, so that parents, for example, can determine people who are going to supervise their children, who share their values.

And I think that any proposal should really be geared to the low income, and the President-elect's comments on this during the campaign indicated that he was interested in a tax credit approach, a 1000 per child, with refundability, as well as for the dependent care tax credit, so that low-income families would have that advantage, even if they are not earning enough to pay tax.

I think there should also be a focus on business. In other words, we are seeing a great deal happening in the business community now, but liability has been an issue there, and to have some sort of reinsurance pool, a way of helping in that area, I think would be important.

And the Federal Government really should be a model for the private sector. When I was at the Department of Transportation, we were very proud of our child care center which we established there, and I find at the Department of Labor there is not one but 18 child care centers, and in all of the regions as well. A 105 children in the Washington headquarters center.

And I think to the extent that the rest of the Federal Government can respond, whether it is setting up a child care center, or perhaps it is flex time, or other sorts of advantages to the working family, this is a very important area.

But it seems to me that we ought to provide as much choice as possible, focus in on the low-income families, be sure that the business community is being encouraged to move forward with the kinds of flexible benefit packages, shared jobs.

There are so many things that can be done, and I certainly look forward to taking a leadership role there, and I have already been talking to a lot of people in industry about what can be done, and they are sharing with me their ideas as to what has been working successfully.

But once again, what it does is to increase, I believe, productivity, and to decrease absenteeism. That was our experience certainly at the Department of Transportation.

So it is very much in the interests of business as well as responsive to the needs of their employees in this modern work place.

Senator HATCH. Thank you. We look forward to working with you in that area.

Let me just ask one other question, or talk about one other subject. I wanted to raise this particular issue with you, although you may not have had time to focus on it, relating to the status of our domestic steel industry.

As you know, during the early 1980's, the steel industry suffered very serious market penetration from foreign competitors. It went through a period of severe retrenchment as a result of this and other serious factors that arose.

In response to this problem, President Reagan negotiated the VRAs, or Voluntary Restraint Agreements with the majority of the world's steel-producing countries, in order to limit, through voluntary means, the imports which were really flooding our industry, and in many ways unfairly doing so.

Now these agreements are due to expire in September of this year and it is my understanding that President-elect Bush has pledged to extend this program, and that the details of this particular extension will be an early agenda item for the Economic Policy Council.

Now is it my understanding that you are going to be a member of that Economic Policy Council?

Mrs. DOLE. That is right; that is correct.

Senator HATCH. Yes, I would hope so, as the Secretary of Labor.

Mrs. DOLE. Yes.

Senator HATCH. I think that would be a real oversight, if you are not. I would hope that the Department of Labor will give this matter the attention it deserves, and I hope that you will help with the extension of those VRAs.

Mrs. DOLE. I will be happy to make that commitment, indeed.

Senator HATCH. Well, that would mean a lot to me. I am a supporter of free trade. I am also a supporter of fair trade, and in this particular area, we have had a lot of unfair trade, it seems to me.

So I will be working to see that these agreements, that they are extended over the next 5-year period at least, because of the effective way they have worked and the fairness that they have brought to our own domestic steel industry.

So I hope we can work on this and work together to accomplish these particular agenda items.

Mrs. DOLE. And this is something, let me say, that I have not had an opportunity to really look over carefully at this point. So I certainly will be very much involved in that, and I commit to that, and I will need to get into the substance in more detail, and familiarize myself thoroughly. But I look forward to talking with you about that as soon as I have reached that point.

Senator HATCH. Thank you. I will give back the balance of my time. We are just really happy to have you here.

Mrs. DOLE. Thank you so much.

The CHAIRMAN. Senator Metzenbaum.

Senator METZENBAUM. At hearings I held in 1987, it was made clear that women have received less than their fair share of the better jobs in the traditionally male fields of construction and high tech.

The hearings also demonstrated that women face significant obstacles such as refusals to hire and overt sexual harassment. By and large, the Department of Labor has not been a significant force in addressing this problem since 1980.

Since the Labor Subcommittee hearing, my staff has worked closely with top Department of Labor officials. A task force established by Secretary McLaughlin has been charged with improving the record of hiring, training and promoting women for nontraditional jobs in the construction and aerospace industries.

The task force has been meeting since last August. While progress has been made in terms of internal administrative improvements, there has thus far been no on-site compliance review or enforcement effort.

It is critically important that the Labor Department, through enforcement efforts, send a clear message that the Executive Order requiring affirmative action by Federal contractors will be applied to ensure that women receive their fair share of top jobs.

Madam Secretary, what will you do to see that this enforcement effort is undertaken?

Mrs. DOLE. Well, let me say, first of all, that there is the Task Force on Women in Nontraditional Jobs, and that task force has now completed, I believe, a review of the closed compliance review files, of about 250 of those, and they are moving into the phase of looking at compliance contracts now, construction and aerospace.

And so I look forward to seeing the completed work of the task force, and would want to review that, and talk with you about it, and others who are interested in this area, as soon as we receive that completed report.

I do know a little bit about nontraditional jobs myself, Senator Metzenbaum, being the first woman Secretary of the Department of Transportation, which is a rather male-dominated area, industry. I asked the question when I arrived my first day at the Department, how many women do we have at the Department of Transportation? and I was told 19 percent are female.

And I said now when this Department was established back in 1967, how many women were there? And the answer was 18.5 percent. So from 1967 to 1983, we came up a half a percentage point. And we put together a task force to help women enter the field of transportation at the entry level, help them improve their skills, move up the ladder, move into supervisory positions.

And while it may not sound like a lot to go from 19 to 23 percent when you have a 100,000 people in the work force, it takes a lot of women to move it up even 1 percentage point, and that is where we ended up when I left the year before last.

But we worked with the women at the Department to put that together, and I guess what sort of proved to me that it was working was the day that a pilot said, you know, I flew into a major city today, Secretary Dole, and there were three distinct voices on the air traffic control system, and all three were female.

So I share your concern and your interest in this area, and I think it is one of the reasons that we see that wage gap narrowing. It was 64 cents for the woman to the man's dollar. It is 70 cents to the dollar today.

Obviously we have more work to do, but part of the reason for that is women entering the nontraditional areas. And we are looking at that in the Job Corps programs as well, or will be looking at that.

Senator METZENBAUM. Well, as you know, this very issue arose with respect to Federally funded highway construction jobs during your tenure as Secretary of Transportation, and some observers have suggested that your positive words on the subject were not matched by the tough enforcement activity that was needed.

Indeed, in my Subcommittee's 1987 Senate hearing, a leading women's group charged the Department of Transportation with, quote, "lackadaisical enforcement," end of quote, of applicable antidiscrimination requirements.

Mrs. DOLE. Well, I think that we can provide some data that will show that we worked hard in that area, and I will be glad to do that.

Senator METZENBAUM. I am not really too anxious to go back and check the past. I am more concerned about the future, and I hope that we would have your commitment, that the Department will be taking strong enforcement action to insure that women receive their fair share of nontraditional jobs, and that you will move forward quickly in that area.

Mrs. DOLE. Well, I certainly have a commitment to fairness to women, and to seeing women take positions in nontraditional areas, and one of the enticements to me of this job is to have an opportunity to help working women and working families. So I am certainly committed to that goal.

Senator METZENBAUM. Let me say that I was particularly pleased to hear you, in your opening remarks, address yourself to the subject of literacy in America. You know that you and I talked about that when you came in to see me.

Mrs. DOLE. Yes.

Senator METZENBAUM. I have been talking with the major radio and TV networks about my concept, that nobody can do more with this matter of literacy than can the TV networks and the TV local stations.

Mrs. DOLE. Yes.

Senator METZENBAUM. And I would hope to be working with you in connection with pushing and encouraging that kind of programming by the TV stations of this country.

Mrs. DOLE. I think that is an area that has a great deal of potential, Senator Metzenbaum, and I congratulate you for your work in this area, and I think this is something that we can certainly pursue together.

I feel that wiping out illiteracy is crucial and we need to very definitely have a focus, as we have now, in the different programs at the Department of Labor.

But I think one of the areas of the Job Training Partnership Act, as we review what more can be done, a heightened focus on literacy there, working in the area of television. The Department has

been working with other Departments to provide conferences that focus on this issue, and that highlight the problems.

There are contracts out in a number of areas to promote programs with regard to literacy, and I am committed to that goal.

It is essential, if we are going to ensure that every person who wants a job has a job. So that is certainly one very important avenue of getting at this difficulty.

As you said to me that day, there are people who are embarrassed to go into a neighborhood center, or an area, and admit that they do not know how to read and write.

But if they can have a program on television, something like Sesame Street, where they can really learn the basic skills and understand how to read and write through television, then that is one way to reach them, certainly, that could be very effective.

Senator METZENBAUM. I will be working with you on that.

Mrs. DOLE. Good.

Senator METZENBAUM. In the last Congress I introduced a bill to protect employees who blow the whistle on health and safety violations from personal reprisal.

The bill had bipartisan support. The Administration Conference of the United States conducted a detailed study that uncovered glaring problems with the current Federal whistleblower protection laws.

I chaired a hearing in the Labor Subcommittee that heard from three workers, including one airline pilot, who lost their jobs because they reported unlawful practices that threatened the public health and safety.

I learned that millions of workers in such critical industries as aviation, food processing, drug and medical device manufacturing, and pesticide application, have no protection under Federal law.

I will introduce a whistleblower protection bill again in this Congress, and it will be one of my top legislative priorities. Last year, my staff had extensive technical discussions with the Department of Labor through the Solicitor's Office.

I want to work with the Department of Labor so we can have a consensus bill, and I would hope that we might have your assurance that you will make this bill a priority for the Department.

Mrs. DOLE. Well, the staff at the Department of Labor I believe provided technical assistance last time, and was pleased to do that, and there was a task force at the Department which I think provided a great deal of assistance to senior officials in terms of this whole issue of the whistleblower.

It is something on which I share a concern and I look forward to working with you on that issue. I think a great deal of data was compiled through the task force, that can be helpful in looking at this problem.

Senator METZENBAUM. In 1986, the Department of Labor studied the problem of employers prematurely terminating over-funded pension plans to recapture excess assets.

Although the Department did not share my position with respect to the matter of the excess assets belonging entirely to workers and retirees, it did agree that the security of pension benefits was threatened by this practice.

Indeed, Secretary Brock testified before this committee that reversions, quote, "reduce participants' benefit security, and may also discourage the employer from granting cost-of-living allowances for retirees," end of quote.

The Department in fact proposed some legislative safeguards for workers as part of a broader proposal dealing with pension plan funding and terminations.

Regrettably, the section of the legislation dealing with reversions was not enacted. This is due, in large part, to the Labor Department's own last-minute efforts to delete any safeguards for workers in reversion cases.

We are talking about something like $250 billion that is in these pension funds now. $19 billion has already been taken out without any protection for the employees.

I would like to know your view on the issue of employer reversions.

Mrs. DOLE. Senator Metzenbaum, let me say with regard to the whole pension area, obviously this is a very, very important area. It is very important to employees, the protection of their pension plans, and the fact that we need to encourage additional pension plans for the 48 percent of the work force that does not have them now.

It is also a highly complex area, and it is an area that I have not directly been involved with up to this point, in terms of having it as one of my responsibilities in a former position.

I think it is particularly important because of the fact that we are going to see workers changing jobs, possibly a number of times, as we look to the work place of the future. There is going to be a great deal of mobility.

It is an issue that is important in terms of women moving in and out of the work force. Can we do something about portability of pensions without, at the same time, discouraging the offering of pension plans, since, after all, they are voluntary.

And the reversion issue is another complex one, and I understand there is a moratorium until May, which I hope gives us time to look hard at this issue.

But for today, I think I should really not get involved in depth in the pension issues until I have had an opportunity to really dig into this area, and study it thoroughly, because I want to take a responsible position and it is a very complex issue, and it is very important to the future of the work force.

Senator METZENBAUM. Thank you, and I would hope you might expedite your actions by reason of the May date suddenly coming at us.

Mrs. DOLE. I would be happy to. Yes.

Senator METZENBAUM. Thank you, Mr. Chairman.

[Responses of Mrs. Dole to questions by Senator Metzenbaum follow:]

QUESTIONS FROM SENATOR METZENBAUM

WOMEN IN NONTRADITIONAL JOBS

QUESTION:

Do I have your commitment that the Labor Department will take strong enforcement action to ensure that women receive their fair share of nontraditional jobs? How quickly will the task force move to initiate compliance reviews and enforcement actions?

ANSWER:

As I indicated in my testimony before this Committee, I support and am committed to strong enforcement of Executive Order 11246, as amended. The Subcommittee on Labor has indicated its concern with the representation of women in nontraditional jobs in the construction and aerospace industries and, of course, I share these concerns.

The Department, working in cooperation with the Labor Subcommittee of the Senate Committee on Labor and Human Resources, started reviewing the issues relating to the underutilization of women in the construction and aerospace industries in August 1988.

Throughout the fall, the Department's Task Force on Women in Nontraditional Jobs (the TF) reviewed actual case files of compliance reviews done by OFCCP in construction, and started the file review process of compliance reviews in aerospace.

The TF's workplan calls for the development of proposed protocols for compliance reviews in both construction and aerospace to be completed by March 1989. Prior to conducting the compliance reviews, the TF will meet with several national organizations which provide training, support and referral of women to construction contractors, as well as union and contractor groups. Many of these groups have expressed an interest in providing the TF with information regarding their efforts to train and place women in the trades, and can be helpful in verifying the contractor's recruitment efforts.

The TF will then start the compliance review stage of this comprehensive effort. Current plans call for four to six construction industry compliance reviews to be scheduled and initiated in March 1989. Three to four aerospace industry compliance reviews will be scheduled by the end of April 1989 and initiated by the end of May 1989.

These compliance reviews will assess the contractor's hiring, promotion, training, retention, and layoff procedures and other employment practices. Any violations of the Executive Order will be fully remedies, and/or OFCCP will take appropriate enforcement action.

WHISTLEBLOWERS QUESTIONS

I will introduce a whistleblower protection bill again in this Congress, and it will be one of my top legislative priorities. Last year, my staff had extensive technical discussions with the Department of Labor, through the Solicitor's Office. I want to work with the Department of Labor so we can have a consensus bill.

QUESTION (1):

Will you commit the Department's resources to work with me and my staff to negotiate a consensus bill as soon as possible?

ANSWER:

If confirmed as Secretary of Labor, it is my intention to work closely with the Congress on all matters of mutual concern. Accordingly, I would be pleased to make Department of Labor staff available to discuss whistleblower legislative proposals with you and your staff.

QUESTION (2):

Last year, the Department endorsed a bill limited to protecting only aviation whistleblowers, but did not take a position regarding protection for other industries. Are you prepared to accept comprehensive legislation instead of piecemeal industry-by-industry efforts?

I am certainly willing to explore the feasibility of comprehensive whistleblower proposals. Clearly, any such comprehensive legislation would have potential implications for other Federal agencies, and these agencies should also have the opportunity to review these matters. I would be prepared to work closely with other Administration officials to assure that comprehensive whistleblower initiatives receive careful consideration.

PENSION PLAN TERMINATION REVERSIONS

QUESTION:

Employers continue to terminate overfunded pension plans in order to recover pension money. 19 billion dollars have been stripped out since 1981; another 218 billion is in jeopardy. Can we in the labor committee count on your support in working toward a solution that discourages reversion activity and protects retired workers?

ANSWER:

I understand that you and this Committee have a long-standing interest in the issue of plan terminations and asset reversions. In the past few weeks, I have committed time to becoming educated on this issue. I appreciate its importance; I have also gained an appreciation of the complexity of the issues and the different philosophical views underlying them.

In the coming weeks, I intend to familiarize myself further with the issues and talk to an array of interested parties within and outside of the Administration. I hope that you and your staffs will contribute to these discussions, and in the end I hope we can determine what, if any, changes in law are needed to improve the integrity and credibility of the system without changing the voluntary nature of the private pension system or discouraging the creation, maintenance, and adequate funding of defined benefit pension plans.

DEPARTMENT OF LABOR COOPERATION WITH THE LABOR COMMITTEES

QUESTION:

During the consideration of pension legislation in the 100th Congress, serious divisions arose due to the decision by the Department's pension appointees to negotiate only with the tax committees and not work with the Labor Committee members from either party. I do not expect that we will always agree on the need for legislation or on the specific terms of legislation. But I do expect us to work together. Will you assure the members of this committee that your appointees will always work with us on issues of our mutual jurisdiction?

ANSWER:

It will be my policy that all Departmental officials work to the maximum extent possible with all concerned committees on a bipartisan basis in trying to develop mutually acceptable solutions. I believe such an approach is in all of our interests and in the best interest of good public policy, and I will convey this view to my Executive staff.

LEVERAGED BUY-OUTS

QUESTION:

For several years there has been concern over the financing of mergers and take-overs by pension plans and the subsequent effects those take-overs have on retiree security and pension plan stability. Employee pension funds today own as much as 2/3 of the equity capital of the nation's 1000 largest companies, and one expert has stated that "pension funds are the ultimate cause of the explosion of hostile take-overs in the last few years." I have 2 questions about these troubling developments. (1) What will the Department do to ensure that pension plans are not terminated in order to finance a take-over, thereby jeopardizing the retirement benefit security of thousands of employees? (2) Will the Department issue guidelines to prevent conflicts of interest by managers who are involved in buy-out decisions and who are also fiduciaries controlling pension plans assets?

ANSWER (1):

Employee pension funds are major participants in the nation's equity capital markets. Pension plans participate in takeovers and mergers as institutional investors, and by virtue of their size they can play a major role in contests for corporate control. However, this is quite distinct from the issue of what happens to an overfunded pension plan when a company is the target of or involved in a merger or acquisition.

As Secretary of Labor, I will be fully committed to maintaining benefit security for current and future retirees, and I will speak out when I believe that security is jeopardized. I understand that several committees will hold hearings on leveraged buyouts in the next few weeks. I will follow those hearings as we review the general issue of the participation of pension plans in leveraged buyouts.

ANSWER (2):

I understand that ERISA specifically allows such potential conflicting interests to exist by permitting corporate officers to serve as plan fiduciaries. The Department's role should be to ensure that plan fiduciaries are aware of their duties to act solely in the interest of plan participants and beneficiaries and to vigorously pursue any breach of these fiduciary obligations.

It is my understanding the Department has taken a variety of actions in this area, but I agree that the potential for conflicts may remain. I will ask for a review of the Department's policy in this area and recommend further changes, if appropriate.

HIGH RISK

QUESTION:

Last Congress, I introduced legislation to provide notification and disease prevention for workers who have been exposed to serious health hazards.

The high risk bill enjoyed broad support from organized labor, the entire public health community, and important segments of the business community including such major American corporations as General Electric, IBM, Union Carbide, W. R. Grace, ARCO, Crumm and Forster Insurance Company, and the Manville Corporation. The bill also received strong endorsements from the New York Times and Washington Post. Regrettably, the bill garnered only heated opposition from the Reagan Administration. It passed the House, but was filibustered to death in the Senate.

The need for worker notification has not gone away. Thousands of Americans will die this year as a result of workplace-related cancers. Early intervention---before symptoms appear or while they are in their initial stages---can avoid human tragedy and save millions of dollars in health care and insurance costs.

I do not expect you to embrace this bill, at least not yet. But I do hope the Dept. of Labor will take a fresh look at the legislation. In this regard, I want to ask 2 questions: (1) Will you as Secretary of Labor take a close look at the bill on its merits, and (2) Will you sit down with me and my staff early in this session to discuss the legislation?

ANSWER:

I believe that workers should be notified of dangers which they encounter from toxic substances in their workplace. I want first to look at existing administrative methods for informing workers, such as OSHA's Hazard Communication Standard and other health standards, and by preventing exposures before they occur, through rulemaking such as OSHA's recent updating of limits on over 600 workplace chemicals. If I see that these efforts do not adequately achieve the goal of providing sufficient notification for workers, I would then consider other appropriate remedies. It would certainly be helpful in understanding the purposes and effects of the high risk bill to discuss it with you and I would be more than happy to do so.

WORKER ADJUSTMENT FUNDING

QUESTION:

For the last two years (FY 1988 and FY 1989), the Administration has requested $980 million to assist dislocated workers under Title III of the Job Training Partnership Act. The Reagan budget proposal for FY 1990 requests only $400 million. This amount of funding cannot begin to cover the cost of the new initiatives and activities required under the Title III legislation revised by Congress last year. What will you do to seek additional funds for Title III as part of the FY 1990 funding cycle?

ANSWER:

The Department believes that the $400 million request level in the 1990 budget is sufficient to effectively implement the new program. The new program should be much more effective in serving dislocated workers.

Of course, a higher level of funding would have permitted the Department to serve a larger number of dislocated workers. But the severe budget constraints imposed by the deficit are real and require the Administration and the Congress to work within our means and prioritize our decisions. For my part, I am carefully examining those budget priorities.

OCCUPATIONAL INJURY AND ILLNESS REPORTING

QUESTION:

A recent National Academy of Sciences report indicates a need for substantial improvement in the occupational injury and illness data system, specifically, how does the Department of Labor intend to address these deficiencies in the Occupational Safety and Health Statistical Survey?

ANSWER:

The Bureau of Labor Statistics, along with the Occupational Safety and Health Administration, recognizes the deficiencies in the survey's data and has done testing on the feasibility of collecting worker and case characteristic data.

The Department has a 1990 budget proposal for a redesign of the program to provide national estimates on the details of workplace injuries and illnesses as well as the characteristics of the worker involved. These data will better support an effective program on the prevention of workplace injuries and illnesses. National estimates will be developed on:

- Characteristics of the injured or ill worker such as occupation, age, sex and work experience; the nature of the event, for example, falls, electrocutions or explosions; type of equipment involved; and part of body affected;

- Number of lost workdays associated with various types of injuries and illnesses;

- Indications of the severity of the injury or illness as recommended by the National Academy of Sciences including hospitalization and medical treatment; and

- More detailed information on the circumstances surrounding workplace fatalities.

NUCLEAR WORKERS

QUESTION:

Recent months have revealed one horror story after another about safety in the nation's nuclear production facilities, including those operated by the U. S. Department of Energy. Some of these facilities are located in Ohio. There can be little doubt that numerous workers at these facilities are at serious risk of diseases and premature death. What do you think the future role of the Department of Labor should be with regard to health, safety and working conditions in the nuclear production facilities? Will you work with Congress to produce legislation to provide effective health and safety in these facilities?

ANSWER:

Last year, in response to legislation proposed by Senator Glenn, the Department opposed an expanded statutory role in the safety and health of workers at nuclear production facilities covered by the Department of Energy, based on information then available about the adequacy of DOE's worker safety and health program. The Department also offered to review its stance if new information were provided. I would be willing to discuss with relevant Congressional committees the recent disclosures concerning conditions at these facilities to determine the impact on workers safety and health and any possible new role for OSHA.

MSHA PETITIONS FOR MODIFICATIONS

QUESTION:

As Secretary of Labor, do you intend to stop MSHA from using Section 101(c) inappropriately and require MSHA to set new standards only by using the rulemaking procedures under the Mine Act?

ANSWER:

I certainly agree that general health and safety standards should only be established by using the rulemaking procedures under the Federal Mine Safety and Health Act of 1977 (Mine Act). The Mine Act does, however, allow operators and representatives of the miners to seek to modify a particular safety standard on a mine-by-mine basis provided the level of safety achieved is at least the same as under the standard. This modification procedure has been successfully used to introduce new technology and to improve miner safety. Either the operator or the representative of miners can challenge administrative decisions granting or denying modification requests. However, I will promise to look into this question further to ensure that the various procedures noted in your question are not used to avoid the Act's rulemaking procedures.

UNEMPLOYED YOUTH

QUESTION:

One of the most critical problems facing this country is the increasing number of young people who are unskilled and unemployed. Particularly in our big cities, we are losing these young people to lives of crime, or lives marked by hopelessness and permanent dependence on government assistance.

(1) How do you plan to make existing training and employment programs more effective in helping these severely disadvantaged young people?

(2) One program that has shown success with this population is the Job Corps. How do you plan to incorporate the Job Corps and the lessons learned from the Job Corps program into other employment and training programs?

(3) What new initiatives do you propose to target severely disadvantaged young people?

ANSWER:

I believe that the problem of severely disadvantaged youth needs our urgent attention. As I said in my prepared statement before this committee, now is the time to act, to destroy the haunting possibility of a permanent underclass of "unemployables."

We have already started to make improvements to our existing programs and need to do more to better focus JTPA services on those who are "at-risk" of long-term unemployment and welfare dependency. The Department will again submit legislation to the Congress to amend JTPA to use summer youth program resources for a year-round, intensive program to meet the needs of this group, and to better target resources to where this population is located, especially big cities.

We will also be replicating the successful Summer Training and Education Program (STEP) in ten States and fifty localities this summer, and in each of the next two summers. The STEP model has proven effective in stemming the reading and math learning losses suffered by disadvantaged youth during the summer months. The program combines a part-time summer job under JTPA, basic and life-skills instruction and year-round mentoring for 14-15 year olds as a promising approach to dropout prevention.

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In addition, the JTPA Advisory Committee will likely have recommendations on serving at-risk youth in JTPA when they issue their report in March. I would prefer to study that report before recommending additional administrative or legislative changes.

As I said in my testimony, we must better stress accomplishment in this important program by refining the standards that measure performance. I am concerned particularly about a more targeted approach to JTPA. Coordination between JTPA and other programs throughout the government is essential. And most importantly, we must improve JTPA's ability to target the hard-core unemployed.

We recognize that the Job Corps program has shown success with the severely disadvantaged and are experimenting with ways to incorpoate its methods into JTPA. In a major initiative, the Department is supporting the demonstration of the JOBSTART model in 15 communities around the country. JOBSTART is a non residential, intensive program of education and training services for school dropouts, modeled after the Job Corps approach and designed by Manpower Demonstration Research Corporation. Preliminary results are expected this Spring.

Beyond these activities, I am not prepared to propose new youth initiatives without further study and analysis of the issue by me and Departmental staff. I do believe, however, that it is important to act quickly. I look forward to working with the Committee to improve JTPA's service to at-risk youth and, possibly, to develop other related initiatives.

PENSION REGULATION AND ENFORCEMENT

QUESTION:

The Department has often said it wants to take the lead on retirement policy. Yet the Department has failed to issue regulatory guidance on many pro-worker legislative changes including individual benefit statements specified in ERISA, qualified domestic relations orders under the Retirement Equity Act and individual notices of the right to continue group health insurance under the Consolidated Omnibus Budget Reconciliation Act of 1985. The Department has also been subject to much criticism over its enforcement efforts which annually audit less than one percent of all pension plans. How do you plan to improve the effectiveness of the Department's regulatory guidance and enforcement responsibilities? When can we expect these efforts to be initiated?

ANSWER:

First, with regard to providing regulatory guidance, I believe it is incumbent on a Federal agency to provide that guidance necessary to ensure and to facilitate compliance with the laws for which it has administrative and enforcement responsibility. ERISA obviously is a complex statute which creates a continuing and evolving demand for guidance, regulatory and otherwise.

It is my understanding that the Pension and Welfare Benefits Administration (PWBA) and the Department must submit a Regulatory Plan to OMB each year which lays out its priorities. I will review PWBA's, and all other agency plans, to assure that agency resources are focused on the most important needs.

With regard to ERISA enforcement, I am committed to a strong and effective program. I believe an effective enforcement program is an essential component of an overall strategy to deter abuse and maximize benefit security.

I understand that the PWBA has done a great deal of work in the past few years to develop and implement a comprehensive enforcement strategy and ERISA information system. As part of an ongoing management review system for the Department, I intend to review the implementation of PWBA's plan, to monitor its performance, and to make changes as necessary. These measures, when combined with other PWBA related efforts, should greatly strengthen our ERISA enforcement program.

IMPROVING EMPLOYEE INFORMATION

QUESTION:

A disturbing study by the General Accounting Office in 1987 found that over 70 percent of employees did not know they were eligible to retire under their pension plans. An important part of the Department's mission is to increase public information. How will the Department assist workers in knowing more about their pension and welfare benefits?

ANSWER:

I agree with you that an important part of the Department's mission is to increase the public's awareness about participants' legal rights and benefits. This is especially true for workers who need vital information relating to the adequacy and security of their retirement benefits. ERISA recognized the importance of this by directing that participants be provided with several types of reports related to their pension and welfare benefit plans, including the summary plan description, the summary annual report, and upon request, a statement of individual benefits.

Over the years, the Department has worked to help educate workers about their rights under their employee benefit plans, by publishing a variety of pamphlets and booklets designed to serve this purpose. The Department also has an ongoing program of providing assistance to individuals who are having problems obtaining their benefits. We will continue these programs and others to assure that those workers who seek information about their plans will be able to obtain timely, accurate and complete material. In this regard, PWBA is currently undertaking a comprehensive effort to review ERISA's reporting and disclosure requirements which, among other things, is intended to improve the utility of the information available to plan participants for career and retirement planning and other purposes.

The Department should assure that the reporting and disclosure requirements under ERISA are assisting workers in knowing more about their pension and welfare benefits.

The CHAIRMAN. Senator Kassebaum.

Senator KASSEBAUM. Madam Secretary, I, as we have said, am new to this committee. There are many on this committee that have provided significant leadership in the child-care issue, and it has been discussed and will be discussed further in questions.

I would just like to add that it is a topic that is of great interest and concern to me as well, and will hope to be working with you and other members of this committee on that.

I would hope as we do, that we do not lose sight of the fact that the heart of the matter is really quality child care, and the role of the Federal Government in helping assure that there is quality care available.

I would like to ask a bit about parental leave because this was debated last year on the Floor. Senator Stevens and I made a proposal that parental leave be mandated at the Department of Labor.

And that this would be a trial basis, that we thought could provide us with the data and information that would be of some guidance on any broader Federal legislation.

Since you mentioned the number of child-care centers at the Department of Labor around the country—and I think this is a very positive approach, and one that should be commended—have you given any thought, or is there any parental leave policy in effect at the Department of Labor?

Mrs. DOLE. I will be glad to look at that for you. I really cannot answer that today, and I would certainly like to look at your proposal. But I think that there are many ways to come at this, and I think in terms of mandates, I think we just have to, in a broad way, recognize that if we were to mandate everything that is on the table at this point, that would require a mandate, I think that it would impact on the creation of jobs.

And we have got to maintain that balance, there is a balance there, and that is what a lot of the discussions will be about, I think. How do we continue this incredible jobs creation machine, and continue to create jobs so that a person can have the dignity and the independence and the respect that comes from a job?

Obviously, when a young person has a job it is going to impact on all of the problems that we are concerned about, the social problems, whether it is drugs or whether it is alcoholism, and all the other difficulties that we are faced with today.

So we do not want to negatively impact that, if we were to mandate all of the different proposals, and I think that balance has to be considered carefully, but let me look at what you have proposed as sort of a model.

Senator KASSEBAUM. That is why I thought perhaps the Department of Labor took this under consideration, because I think we are all sensitive to the changing work force, and the needs, then, that have to be met, and just how.

Mrs. DOLE. Yes.

Senator KASSEBAUM. But I will look forward to working with you further, and other members. Senator Metzenbaum touched on literacy, and when you mentioned it in your opening statement, as far as enhancing literacy instruction in all training programs, particularly the focus on the JTPA, I wonder if you could sort of expand

on that and how you would see this as far as coordinating with the education effort.

Mrs. DOLE. Yes, and I think it is absolutely crucial, the coordination role, as we look to the future, to try to anticipate the opportunity that we have now to begin to bring people into the work force who really have been at the end of the line.

The disadvantaged. Those who so need the training, the skills, literacy. There will be a number of women coming in, of course, and the disabled, and I think as we look to those opportunities is crucial that literacy be front and center. That is just basic.

And it is a part of the Job Training Partnership Act block grant now, as well as the Job Corps Program—also the Summer Job Program—and I think that, clearly, one of the things that could be done with JTPA is to enhance the importance of that, and it is included as well in our performance standards, literacy.

There are a number of contracts now which have been let, which have been provided, or grants, rather, in this area, and it seems to me that it is, as I say, crucial for the disadvantaged, if we are going to really start to target programs of the more disadvantaged in JTPA, that this be an integral part, and that we have goals and stricter performance standards to meet those goals for literacy.

Senator KASSEBAUM. What I really was interested in as well is what coordination you have envisioned within, say, the public school system, or the vocational technical schools.

Mrs. DOLE. Yes. The Secretary of Education and I have already talked twice about the importance of coordinating, and we have set a time when we are going to meet, as well as the Secretary of HHS, to look at a number of areas where we can coordinate and provide that unified approach to move forward on these programs.

And I think to reach the goals that we are talking about, to really be able to educate people who have had the least skills and who are most disadvantaged, it is crucial that there be this close coordination, and from the standpoint of recipients at the local level, then they do not have such a proliferation of papers to fill out and places to have to apply, if we can work more closely to tie these together.

The reauthorization of the Vocational Education Act is coming up. Certainly that is going to be a very important step to coordinate, as well as the Jobs Program and welfare reform with HHS.

And there are programs underway now with the different Departments cooperating, but we need to enhance that, and I think it is crucial if we are going to make the progress that we have to make, to fulfill this window of opportunity that we have.

Senator KASSEBAUM. Thank you very much.

The CHAIRMAN. Senator Matsunaga.

Senator MATSUNAGA. Thank you, Mr. Chairman, and congratulations on your nomination.

Mrs. DOLE. Thank you very much.

Senator MATSUNAGA. As I indicated in our telephone conversation, you have no problems with this Senator.

Mrs. DOLE. Thank you.

Senator MATSUNAGA. We hear so much today about friction within labor unions, between labor and management, and to the

point where it has been suggested that unions do no good for their members today.

What is your concept of the role of the labor union today in our economic and social structure?

Mrs. DOLE. Well, Senator Matsunaga, I think it is an important role, and I feel that the collective bargaining process is a very time-honored process, and while the number covered is about 15 percent now, so that it is a minority of workers who are unionized, I think that the role is important, and certainly I have great respect for the leaders that I know, and I have had the chance to work with in the past, both when I was liaison to the labor field at the White House, and also at the Department of Transportation.

So I feel there is a very valid and a very important role there, and the opportunity for workers to have the collective bargaining is an important one, when they choose to do so.

Senator MATSUNAGA. Would you encourage or discourage the formation of new unions?

Mrs. DOLE. Well, I think that is up to the employees to determine. That is their determination, which way they prefer. You know, I think that is something that I would leave to their best judgment, as to what is in their best interests, as far as the particular opportunities that they seek.

Senator MATSUNAGA. Suppose they come and consult with you, and say should we form a union or should we not?

Mrs. DOLE. Well, you know, I truly do think that is a decision for the individual workers, and, you know, I could not, I do not think, comment in a general way without—that is obviously specific to certain situations, and to the needs in various areas or industries, and it really seems to me to be very much a matter for those in the particular work force to decide.

Senator MATSUNAGA. Well, I may be prejudiced, but I take it to mean that you are more on the encouraging side, as I am.

Mrs. DOLE. I am going to leave it to the employees to do what is in their best interests, but as I say, I certainly respect the whole union movement, the leaders that I know well, and the process of collective bargaining which is a time-honored one and serves a very definite purpose.

Employees should have the opportunity to decide whether they want to work in that manner or not, and so I think that is the right way to leave it.

Senator MATSUNAGA. Thank you very much.

The CHAIRMAN. Senator Jeffords.

Senator JEFFORDS. Thank you, Mr. Chairman. I will be brief as I know I am going to have an opportunity to work very closely with you on these issues.

Mrs. DOLE. Yes.

Senator JEFFORDS. There are a couple of points that I would like to make from my experience in trying to work out solutions to these issues. The ones we are facing are very difficult and very emotional. Trying to find a common ground between both the philosophical beliefs, and whatever other beliefs that are involved is not easy at all.

On this side of the aisle we tend to look more towards the tax credits and incentives by virtue of that, and on the other side it seems to be more a direct payment-type approach.

I mention that in two specific areas. One is the minimum wage, where, as Senator Hatch pointed out, the large majority of people are not the working poor on minimum wage. Thus, if you raise the minimum wage high enough to take the working poor off, you create job displacement and all sorts of problems.

An obvious answer to that is the utilization of the Tax Code through employee investment tax credits, negative, et cetera. In trying to find a common ground I think the Secretary can be most helpful in trying to promote and bring forward ideas there, as well as in the day care problems, where we have similar types of differences.

I would wonder what you feel you can do, working with Secretary Brady, to try and build up a consensus within the Administration to bring these together so we can have a common ground, at least for the Administration to push in the House and Senate?

Mrs. DOLE. Well, certainly I look forward to working closely with Secretary Brady on a lot of these issues in the pension area, and other areas as well, and I think as far as this particular issue, we have not had an opportunity, as I say, to really look at various options or to plan the legislative agenda.

And so I think I have to just leave it open, and say that I certainly will work with him to look at what the options would be in that area as we try to weigh what would be the best approach.

Senator JEFFORDS. This committee is hamstrung, as in the House, where it is hard for us to get the Finance Committee's attention or the Ways and Means Committee's attention on some of these issues.

Mrs. DOLE. Yes.

Senator JEFFORDS. The same is true on pensions——

Mrs. DOLE. Well, I have got a friend on the Finance Committee.

Senator JEFFORDS. Oh, yes, that is right. With respect to pensions, it is equally true. Senator Metzenbaum noted the loss of pension assets by virtue of overfunding; similar to problems in the pension portability aspect, where the law now is going to require vesting in five years, or seven years in the slow approach. We are going to be losing a large number of assets, small assets, by the lack of a pension portability plan.

I introduced a bill in the House, that passed the House twice, by our committee, but it is very difficult to get people's attention to that because the ones who have benefitted by it are usually in such dire straits that what happens to their pension assets is of little importance compared to their other needs.

So I would hope that, again, you could work with Secretary Brady and with us to try and come up with a plan that everyone agrees is necessary, but we just cannot seem to get that final push.

I would appreciate any comments you might have on pension portability. You have already made some.

Mrs. DOLE. Right. On pensions generally, I have already spoken with Secretary Brady about the desire to work together to really, with this committee, develop a national pension policy. And that is a very big undertaking, but I think we should be headed in that

direction, to look at it in a very comprehensive way. And as I say, I will have to do a great deal of work before I am ready to undertake a lot of the aspects of this, because it is highly complicated, it is not an area that I have been involved in personally to any great extent in terms of the past.

But the pension aspect, I think, is one that offers great opportunity. Back earlier, I did have an opportunity to be involved to some extent when we were looking at pension reform for women, and I think that doing more in this area—that was back, I believe in 1982—doing more in this area is important, especially with the future of the work force involving job changes and women in and out of the work force so often.

But as we look at that issue, of course, the offering of pensions is voluntary, and we do not want to discourage companies from offering pensions to those who do not have them now. We do not discourage the prepayment into defined benefit plans. And I think it is somewhat the horns of a dilemma here as you try to determine how can you make the pensions more portable, but also not discourage the offering of pension plans to employees, because it is in the interest of the employer, of course, to provide that long-term service.

So I think we just have to work through it. I am sure there is a way to do it, but it is a very, very difficult issue, and I do not see an answer right this moment, and I certainly do not have the expertise at this point to propose an answer.

I look forward to working with you on that. I think it should have very high priority.

Senator JEFFORDS. Thank you. Just one comment, no question, that in OSHA, I would agree with the Members who have expressed concern. There was one time, I think, in my experience in the House, where both labor and management came in arm-in-arm, and said that the OSHA program is lousy and needs overhaul. So I just want to pass that on.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Dodd.

Senator DODD. Thank you, Mr. Chairman.

At the outset, let me also welcome our new colleagues to the committee. I look forward to working with them on some of these issues.

Mrs. Dole, obviously, there are other issues besides parental leave and child care. And I have listened carefully to your comments to questions by others about it, and I am not going to try and solicit a direct or specific response in terms of the various proposals that are kicking around.

I know you are aware that the Act for Better Child Care, introduced last year, had some 45 cosponsors here in the Senate. We worked on parental leave, and it was also debated on the Floor, as Senator Kassebaum has pointed out.

So let me just ask you some conceptual questions, rather than specifics. First of all, let me endorse and second what Senator Kassebaum has said about quality. Although you talked about choice and low income and business and reinsurance, I presume you would endorse as well the notion that whether we talk about tax credits or vouchers or a combination thereof, that if in fact

there is a Federal involvement here, that we should insist upon some very minimum standards to guarantee the quality of that child care.

Would you agree with that statement?

Mrs. DOLE. Well, I think the idea of Federal standards is a problem in that it connotes a more rigid system and a bureaucracy——

Senator DODD. How about minimum health and safety standards?

Mrs. DOLE. And I think the States have minimum health and safety standards that apply in this area of child care, and also the involvement of the parent, certainly, to the extent that we increase the involvement of parents, that to me enhances the quality of child care, and having the opportunity for as much choice as possible, plus the opportunity to have a child cared for in the home, by relatives, this obviously creates an atmosphere that nurtures and provides a very high quality of care.

Senator DODD. You understand that the Act for Better Child Care, for instance, provided all the available choices that you could possibly imagine, from center-based, neighborhood-based, school-based, the ones who are nonprofit or for profit—it was not limited in choice.

Mrs. DOLE. I think there was somewhat of a bias toward a community-based system——

Senator DODD. No, not at all. It provides the assistance directly to the——

Mrs. DOLE [continuing]. In terms of meeting the criterion of eligible provider.

Senator DODD. No, no. It goes to the parents, the assistance, and they choose what sort of child care they would like to have, what sort of setting they would like the child to be in.

But the concern is the issue of the quality of that care, whether or not there is in a sense a responsibility that, whether through a tax credit approach or direct assistance, whether or not as a provider of assistance, we ought to insist upon at least some standards, so that we are subsidizing it through a tax proposal or direct help—we ought to insist upon some minimum standards. Is that a concept—without getting into the concept of what those standards ought to be, or how rigid they ought to be——

Mrs. DOLE. I would point to State minimum standards, or child care standards of health and safety, and indicate that certainly, you do want the highest quality child care. And I think the involvement of the parents is a very good aspect of that quality child care.

Senator DODD. Well, I agree with that, I agree with that totally.

Let me ask you as well, conceptually, about the parental leave, and let me suggest to those—and I know Senator Kassebaum expressed an interest—the General Accounting Office—and if you do not have this, I will make sure you get it—did a rather lengthy study a year or so ago of 80 firms in three different labor markets that have parental leave policies and examined the cost and the impact and all the related questions about parental leave. They determined that the only cost for parental leave was about $3.50 per worker per year, and that was for maintenance of the insurance program during the period of unpaid leave. There was also a study

done by the Merck Corporation, a pharmaceutical company in New Jersey, which has had a parental leave policy for some time, and their conclusion was that they saved $20,000 per worker, choosing unpaid leave rather than replacement cost.

I will be glad to have you look at those. But conceptually, do you have difficulty with the notion that an employee who, at the birth of a child, the adoption of a child, the serious illness of a child, that that person ought to be able to take some time away from that job, without pay, without losing that job—without getting into the number of weeks and the coverage—conceptually, philosophically, do you agree with that?

Mrs. DOLE. Right. As I indicated in my testimony, I think this is an issue that is very important to working families. And I do agree that the workers should have the opportunity with, as you indicated, a new baby or an adopted child, to have some time to care for that child.

I think that with the increasing number of women coming into the work force, this is one of those working family issues that we do have to address.

Senator DODD. So philosophically, you would agree that a person ought not to lose a job in that situation; how you do it is another matter.

Mrs. DOLE. Yes. And I think that to the extent that companies thus far have done it, many of them are reporting that there are many benefits to them; it is being responsive to the employee needs, and it is also benefitting the companies who are involved in it.

Senator DODD. And I agree, many are doing it.

I would point out in the child care area—and I agree with you that we have got to do more in trying to encourage businesses—I must point out that some of the strongest supporters of child care—not parental leave, but child care—come from the business community. They have been tremendously helpful and supportive. Ironically, in a sense—this may come as some surprise to you—of 6 million employers in the United States, there are only 750 employers who have on-site child care. And of that 750, 500 are hospitals. Now, there are referral services and so forth, but we have not seen, unfortunately, the kind of active involvement—and obviously, a lot of those 6 million firms could never have on-site child care. But nonetheless, it has been interesting that we have not seen the kind of increased activity. I would look forward to anything you might suggest on how we promote more of that.

What I would like to get at as well is whether or not you see any problem with the notion that we might be able to marry—because I think there is merit to a tax proposal in the area of child care, because that reaches some people that we might not otherwise reach in the low-income category—and marry that with something along the ideas that Senator Hatch and Senator Mikulski and many others worked on last year. I am not asking you to identify specifically the ABC Bill, but talking about some of the principles involved, that it would not be inconsistent to talk about a child care proposal that incorporated both some tax credits, if you will, and the direct authorization to assist in availability and quality.

Does that——

Mrs. DOLE. I really would prefer, in terms of getting very specific here, to have an opportunity to discuss it first with the President-elect. I think that in developing our legislative agenda and talking through these issues, that is important before I really go very far in discussing it—although most definitely, I am supportive, as is he. Certainly, the idea of tax credits and refundability, he has made clear, the idea of quality is certainly very important. He has spoken to that, as have I. And I think that what we discussed earlier would be my statement on that today, the idea of State standards, State child care standards with regard to health and safety, and the involvement of the parent as much as possible, and the opportunity to have child care in the home or with family or relatives, I think, is an aspect of quality child care.

Senator DODD. Well, the Act for Better Child Care will be reintroduced on the 25th of January, and the Chairman is not here, but I would hope at some point we might move aggressively on that bill. The parental leave bill will be reintroduced on February 2nd.

I would hope—and I would ask you if this is possible—I realize we are going to get started here, and getting started and getting people onboard—but without trying to pin you down——

Mrs. DOLE. I am testifying before this committee next Thursday, Senator.

Senator DODD [continuing]. I understand that—without trying to pin you down to any certain time, I would like to ask for your assurance that at the earliest possible time, that we set up either a working group with members of this committee, interested Members of the Senate, and try and see if we cannot fashion a solution that will enjoy the support of the Administration as well as broad support in the Congress.

Mrs. DOLE. I look forward to being in touch with you as soon as we have had an opportunity to meet on the legislative agenda.

Senator DODD. I thank you for that. As I say, there are other issues here, but you have already touched on a lot of them. The pension issue—not the portability so much, which is important, but the institutional investor—they say by the year 2000, a significant percentage of the stock market will be pension investments, and there are some risks associated with that—but those are matters we can discuss at a later time. I really do not want to take more of your time today.

Again, congratulations on the nomination. I intend to enthusiastically support your nomination.

Mrs. DOLE. Thank you very much. I appreciate it.

Senator Matsunaga [presiding]. Senator Coats.

Senator COATS. Thank you.

Madam Secretary, I am very interested also in the issues of parental leave and child care. I am particularly interested in your statement, expressing your interest in the issues of work and family. This is an area that you know I have spent some time on in the House of Representatives in the last several Congresses. It is one in which I have a personal interest, and an academic and professional interest, and a subject I want to pursue, and so I look forward to working with you on that.

When you do discuss those family issues with the President-elect, I would encourage you to include particularly those issues involv-

ing child care. I am really not asking you to respond; I am just suggesting some areas that perhaps ought to be discussed—those two, in fact, which you have addressed in your statement. First, what is our responsibility in terms of targeting assistance to low-income, single mothers, heads-of-households, low-income, two-parent families where there is no choice but to be in the workplace—people who definitely need the assistance? And Perhaps in an era of limited Federal resources, that is where our primary emphasis ought to be.

Secondly, the concept of choice. Certainly, a substantial majority of parents now choose forms of child care other than institutional care. Preserving the options for home care, family care, and neighborhood care, I think, is very important as we enter into these discussions. That is the child care of choice, as I said, for a majority of the parents of this country.

Thirdly, I would hope that, when you and all of us work on these issues, we do not forget the contributions of mothers who stay at home, often at considerable financial sacrifice, to raise their children. I hope that we will not fashion policies that would discriminate against that choice, because I think that is an equally significant choice in the raising of a child, and many experts tell us, a very critical component, particularly in early child years.

So those three principles, among others, I think, are important ones, that we ought to be considering, and hopefully, ones that you will be discussing with the President-elect and working with us on.

In addition, I would like to just state to you that my predecessor in this seat, Dan Quayle, worked carefully with the chairman of the committee in forming and enacting the Job Training Partnership Act. I know that Act is under review by a Commission, and I believe in your statement, you said that within 30 days or so, that review will be forthcoming. I do not know if there is anything you can tell us about preliminary conclusions, if any have been reached. If there is not, I would look forward to receiving that information. That has been an important job training component in the State of Indiana and one which we believe has brought some success in providing skills to people and giving them an entree to the marketplace that they have not had before.

So I look forward to receiving that information. Beyond that, if you want to comment on either of those two subjects, you are welcome. I understand the committee is under some time pressure here, so——

Mrs. DOLE. Well, I think on the latter one, in terms of the Job Training Partnership Act, I would expect that we would probably be moving in the direction of trying to target more to most disadvantaged groups. And I think clearly, that involves certain areas, and it means, I think, complying with what many people on the committee are very much interested in, to try to move in that direction, to target more to those who are most disadvantaged. And I do anticipate that that will be a recommendation, and I think it is an important effort that we should undertake.

Also, more of a focus on literacy, and I think it is important in terms of trying to provide performance standards and goals. I think there is a great deal that can be done in this area to make it an

even more effective program than it is today—and I think it is working very well.

Senator COATS. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Simon.

Senator SIMON. Thank you, Mr. Chairman.

First, I want to commend you for your statement. I think it is excellent. We have within our reach the fulfillment of a long-awaited dream that every American who wants a job can have a job. I really believe that, and I hope we can move on it.

That JTPA has to target more for the hardcore unemployed is correct. And in illiteracy, you are absolutely on-target. And I am meeting with Secretary Cavazos now. We have some draft legislation, and I hope we can move significantly.

The Chairman and two other Members have indicated some unhappiness with OSHA. OSHA, from 1981 to 1988, there were two indictments. In that same period, the State of California, for safety standards violations, there were 112 indictments. Now, I do not want to measure whether you have strong enforcement just by indictments, but I think it is some indication that we have not had the kind of vigorous enforcement that we should.

The National Safe Workplace Institute, under the Freedom of Information Act, got the records for the director, and according to the records, the current administrator has met with one victim in this whole question of enforcement of safe standards.

Now, in fairness to the director, he might have met with other victims who are not part of the record. But I am a great believer that you ought to meet not just with top officials of labor unions or management, but that the Secretary of Labor ought to also be meeting with working men and women, meeting with those people who cannot find jobs.

Do you have any comments on that?

Mrs. DOLE. Well, I agree with you whole-heartedly on that, and I think the statement that I did make at the time I was announced as a nominee for this position, I mentioned having been just a few days before to Martha's Table, meeting with people who were in need of a job, hearing from them as to how they viewed the situation, what kind of skills they needed, and so on. So I have done this already just as a part of my own private concern, and I think that clearly, that kind of understanding, hands-on meeting with people and understanding their particular problems, is very, very beneficial.

So I anticipate that I will continue to do that, most definitely.

Senator SIMON. I appreciate that.

As you look at the average income in States, when you look at North Carolina and the States represented here, down at the bottom is Mississippi among the 50 States. Below that is Puerto Rico. In a variety of ways from time to time, we do not protect workers in Puerto Rico as much as we do sometimes others in the 50 States.

Without getting specific, just philosophically, is your feeling that we ought to be protecting people in Puerto Rico just as much as all other Americans?

Mrs. DOLE. Yes—and I think clearly, as we look at trying to target the most disadvantaged and those with the fewest skills, this will be a part of the focus. And we do have the opportunity now, and it is a tremendous opportunity to fulfill that dream, to help people who have been at the end of the line in terms of getting a job, to help them with the question of literacy, with basic skills, with the kind of education they need to get a job and to move forward in the work force. And this is a very, very exciting opportunity, and I am committed to that. I think this is an area where, if we can really make headway here by working together, targeting our programs better, providing the right kind of performance standards, providing goals to be met, coordinating across Government so that the Education Department and HHS and the Department of Labor and the Department of Commerce are just regularly meeting and tying together these programs and figuring out, as we move forward with reauthorization of vocational education, how the Labor Department programs can tie in, and this can be done in a very efficient manner, we can make tremendous headway and have a real impact in this area—but not if those things are not fulfilled. We must coordinate, we must target, we must have goals, we must have performance standards that reflect this commitment to the most disadvantaged.

Senator SIMON. I thank you.

One of the areas where we face potential problems is as we reach agreements with the Soviets, as we cut back—and we hope we can do this—in some defense expenditures. What do you do for these lost jobs? I would appreciate your examining the possibility of having an interagency task force of your Department, the Department of Defense and the Department of Commerce just to look at what we do in this conversion process.

I am not asking you to make a commitment to do that, but if you could examine that possibility, I would appreciate it.

Mrs. DOLE. Surely, certainly.

Senator SIMON. And then, finally, we have about 38 million Americans without health care. Two-thirds of those are working Americans. Do you have any feeling about whether we should be mandating or in some other way providing basic protection to these people who are just really left out in the cold in our society today?

Mrs. DOLE. Senator Simon, I am very much concerned about the people who do not have that sort of coverage. Again, it is the question of how we can provide it. At the same time that we are trying to keep the economy moving forward, job creating moving forward, we do not want to lose jobs nor do we want to slow the growth of more jobs, because I think that obviously is the key to dignity and independence and to many of the other problems that we are concerned about in our society. Continue to create jobs—but at the same time, I have that concern that you have about the people who are not covered, and certainly, as we wrestle with this—and the Congress has certainly had a difficult time with this one; there is no easy answer—I think we ought to be looking at what is occurring in the States. Last Session, I believe it was suggested there be some experiments and some demonstrations in the States that might be useful, and I know at the Department of Labor, there is a large project unde[illegible]y that would try to focus in on who these 38

million people are, would examine closely their situation, and then any proposal that is made, how it would impact on all relevant parties.

But I think as we struggle with this together, we need to be concerned about the underlying causes and to try to address those, such as the rising health care costs and the part-time worker situation, the mandated benefits at the State level. These are issues that I think need to be addressed, and certainly the rising health care costs—that has to be incorporated, I think, in the answer to the problem as we struggle with it. I do not know the answer, but I certainly look forward to working with you on trying to find our way through this one.

Senator SIMON. I thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Adams.

Senator ADAMS. Thank you very much, Mr. Chairman.

Madam Secretary, I have just three quick points, and because we are starting this process, and having been a Secretary, too, I do not expect full-blown answers of a full program. But I want to raise these concerns because I would like to discuss them with you during the course of the year.

The first is with regard to the minimum wage. I just want to mention that we in the State of Washington last year placed this on the ballot, and 77 percent of the voters approved an increase in minimum wage in the State up to $3.85 an hour and then to $4.25 an hour.

I mention that only to indicate to you that there is strong support for this and that many of us, when you will hear us question you about potentials of—like Senator Mikulski and I had talked about should a portion of that be allocated into the health area, because we are concerned about that large group of workers who are working full-time but have no health protection, either Medicaid or otherwise—we do not have the final solution to that, but we hope that your Department will be working on it, and I wanted to raise it with you.

The second part is I mentioned to you in my opening remarks briefly about OSHA. My concern is I know this program calls for the discontinuing—or President Reagan's budget does—of 12 OSHA inspectors. I am concerned about that for two reasons. The first deals with direct application of OSHA, which is in many of the new defense programs, and they particularly involve the airplane industry. I will not go into any classified materials, but we have had a situation there where we need a Government agency as a leavening force between the Defense Department, the management and the unions, because all three are trying to do the right thing, but there are some real health problems there. I would like to raise those.

The second part is with regard to who should be watching and handling OSHA requirements or OSHA-type requirements in the nuclear defense production plans or in the clean-up of those plans. This is now under the jurisdiction of DOE. It is very archaic. I have not decided yet whether or not to submit legislation, but I would hope that someone in your Department might call on me as to what their feelings about this are.

We have very dangerous substances there, and we kind of have the fox watching the chicken coop, because the pressures have been on for production; people have worked in those plants for many, many years, so they have a casualness about it. But it is a very toxic substance, and we are not at all sure that we have the proper safety protections. And sometimes an independent agency as opposed to one concentrating on production has an interest. I have a deep interest in this. If I do not get at it one way, I am going another, and I just want to serve fair warning in this case.

The final part that I had was with regard to pensions. As with yourself, when I have not been in Government, I have worked in the private sector, as a lawyer, as an independent member of various boards, and so on. I am very concerned on pension funds being used as a part of acquisition schemes in takeovers.

Now, these pension funds are said to be overfunded. They are overfunded only in the sense that very often, they are invested in the stock of the company that has had a rise in stock prices, or in another that has had a rise. The company may not be any safer. And at that point, though the dollar figure is very high, the liability figure is also very high, and if there is any kind of a collapse in that asset, it is not overfunded.

I believe that we need some protection and regulation to be certain that we are not raiding those pension funds, or using them in leveraged buyouts. I think they are very vulnerable, and I think that many companies' cases have shown, when they have gone into bankruptcy later, or they have been spun off, when these pension plans have proved to be inadequate, and they are the only thing that people who have worked in these companies for many, many years had.

So I am concerned about that, and I am hopeful that you will submit to the committee some information on that.

I wish you very well in this job. You have my full support, and I look forward to working with you and the other members of the committee as you start your tenure as Secretary.

Mrs. DOLE. I appreciate that very much.

Senator ADAMS. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you very much.

I am delighted to have a chance to formally welcome Elizabeth Dole to this committee for this hearing and to congratulate her on her nomination to be Secretary of Labor. I do not know of anybody who will do a better job. I think the President has selected very well, and I look forward as a Member of this committee to working with you, Madam Secretary, in helping address and solve the problems that face our country in terms of job creation activity, job training, the relationships between workers and businesses and employers, to be sure we do have fair and effective rules and laws on the books, to help keep us competitive, and to help strengthen our economy to make this a wonderful country in which to continue to live and prosper.

Mr. Chairman, thank you very much for the recognition. I really do not have any questions. I know a lot of subjects have been covered. But I join you in welcoming our new Secretary and wishing her well in her new job.

The CHAIRMAN. Thank you.

It is our intention to vote on the nomination in just a few moments.

I would like to for the last few moments visit with you, Madam Secretary, on a couple of the areas which have been raised. One is on the area of the minimum health benefits program.

I hear what you are saying in terms of jobs. Of course, we have accepted the concept of minimum standards in some important areas that have affected jobs over a long period of time—we have a minimum wage; that is a mandated program. We have Social Security; unemployment compensation; we have child labor laws affecting how we conduct business. I mean, the concept, we have accepted in certain times. And I do not hear voices, either on this committee or in the Senate, talking about repealing those programs. There may be a difference as to where we are going to come out on the minimum wage. But looking back historically, every time those programs were put in place, we were concerned about the impact on jobs and the impact on inflation. I think there were always debates, and we are going to be debating again in terms of minimum wage. But we have had mandated programs. And my own sense, if we did provide that kind of program in health benefits, three or four years from now, we would say, "Why did it take us so long?" That is my view. We have differences on it. But I hope that you would not dismiss out-of-hand, although I know there are important philosophical differences among some about this issue. But we have accepted the concept of some minimum standards, and I consider them minimum standards of decency myself, but people can put different labels on them.

We tried years ago a health program with a large Federal fund. We said we do not want another big trust fund established. And then we tried to say, those of us who were interested, do it any way you want, to the States. We will not do it; let the States do it whatever way you want. The States said we do not want that kind of requirement. So then we tried to approach this outside of a large new Federal program, outside of requiring the States to do it, and they said, well, that is going to have all of these adverse effects.

So I appreciate your good will and reasonable openness on the issues, hopefully, and we will look forward to working with you on it. It is a difficult question, but there is an extraordinary need.

While we are waiting, on literacy, many people are interested in this issue. We have got 11 million college students. You take 10 percent of them, instructing at 6 hours a week, and you are talking close to $2 billion if you are paying them $20 an hour. There are very few colleges that give credit for that, but there are some that are doing it.

We have six colleges in the Greater Boston Area that now are doing a program that has been patterned after a program suggested by a fellow named Norman Nasa, who appeared before the Bicentennial Commission, of which I am a member. It costs those colleges $25,000 per college. That money was raised from the Boston business community, who have a direct interest in it. It is very successful, and those kids are being asked to do something for someone else, which I think we have failed to do over the period of recent times in the way that we should.

But the real stumbling block was getting academic credit. But for the colleges that have accepted it, they wonder why they did not provide it before, because they were able to integrate it into their academic mix, and they found out that in terms of their academic achievements, it has been a success.

We have $5 million that we got in the last appropriations now, that Dr. Cavazos is establishing. So I would raise as an issue for you to think about, because I think it reaches the issues you spoke to me so passionately about at our informal meeting, of voluntarism, and it is on track.

Mrs. DOLE. Yes.

The CHAIRMAN. Finally, specifically, is it your intention to follow the Executive Orders on non-discrimination?

Mrs. DOLE. Yes, indeed—Executive Order 11246, most definitely.

The CHAIRMAN. Yes. Hopefully, we will have the resources and the political support.

Also, on the Economic Dislocation and Worker Adjustment Program, you are strongly committed to that?

Mrs. DOLE. Very strongly committed to it, most definitely.

The CHAIRMAN. OK. President Reagan's budget actually increased it—it did not give it all the money that was authorized, but there was an increase over last year. And of course, I think as the GAO and others have shown, every dollar invested in that saves the taxpayers in terms of other kinds of expenditures for various entitlement programs.

Mrs. DOLE. Yes, indeed.

The CHAIRMAN. We have an industrial homework study of labor. Now, you are going to have a series of hearings in different parts of the country, as I understand. Hearings are scheduled in Illinois, Florida and Texas. We would appreciate it if you would consider extending that to California and New York. The reason is that each one of those jurisdictions have a greater number of people involved in this particular industry than all of the other areas where you are having the hearings, combined. I think, in order to be able to fashion and shape what I would think would be a reasonable policy, it is useful to examine where there is the greatest intensity.

Mrs. DOLE. I will be happy to look at that. Obviously, I need to become familiar with just what the plans are here. I do think that moving forward with these hearings is going to provide important information as to just exactly how this might apply to the women's garment area and whether or not it is appropriate to move forward in that area to lift the ban as well.

The CHAIRMAN. We have a number of written questions. I will mention just one area, and that is the Black Lung, where the Supreme Court overruled the Department of Labor's regulations. So you have scores of people who are qualified, but the Department of Labor has not followed up to gain those benefits for those individuals. So we would appreciate your reviewing that.

Mrs. DOLE. Certainly.

The CHAIRMAN. There are a series of others that different members have recommended, and we will submit those for your response in writing, and appreciate your response to as many of those as possible.

Mrs. DOLE. I would be happy to.

[Responses of Mrs. Dole to questions submitted by the Chairman follows:]

QUESTIONS FROM CHAIRMAN KENNEDY

TEMPORARY VISA PROGRAMS

QUESTION:

There have been a number of complaints recently that special temporary visa programs such as the H2 program are being used in some circumstances to import temporary workers for jobs that could be filled by U.S. residents. Will you review the operation of these programs? Do you agree that (1) temporary workers should be admitted into the United States only where domestic sources of labor have been truly exhausted and (2) when they are admitted, temporary workers deserve the full protection of the Fair Labor Standards Act and other labor standards and protections?

ANSWER:

I believe that temporary foreign workers should be admitted into this country only to augment domestic sources of labor. Our recruitment and worker protection enforcement procedures are designed to assure just that -- to certify that there are not sufficient domestic workers who are able, willing and qualified, and who are available at the time and place needed to perform the required work.

When temporary workers are admitted into this country, I agree it is clearly important that their wages and working conditions be fully protected. In fact, enforcement of the actual contractual obligations between H-2A employers and their temporary workers is administered by the Wage and Hour Division of the Employment Standards Administration -- the same agency that enforces the Fair Labor Standards Act for domestic workers.

UMTA-SECTION 13C

QUESTION:

In the event the Department of Labor again seeks to engage in such project, will you be willing to continue these commitments given by your predecessors; and also provide assurances that the Section 13(c) employee protection program for protecting important employee rights and benefits will not be undermined and will be administered in the best interest of the affected mass transit employee, transit management and public at-large.

ANSWER:

Because of my prior position as Secretary of the Transportation Department, I am very much aware of the need to ensure that the Section 13(c) employee protection program is administered in the best interests of the affected mass transit employees, transit management and the general public.

I fully support the commitment made by my predecessors, former Secretaries McLaughlin and Brock, that in the event the Department of Labor seeks to develop new guidelines, major policy revisions or new regulations regarding 13(c), we will only do so after assuring that the process itself is structured to provide the widest opportunity for input by all interested parties.

While we must ensure that Federal transit grants are processed in a timely manner, we will not do so at the expense of employees whose rights and benefits are protected by Section 13(c).

NEW DIRECTIONS

QUESTION:

The OSHA New Directions Program was started in the late 1970's to build competency on worker health and safety protection in labor, management and community organizations. This program has proven to be of enormous value in terms of stimulating private sector actions to improve job safety and health. It is ironic that funding and leadership support for this program has steadily declined at the same time that the orientation towards private sector solutions has been advocated by the Department.

What is your view on the value of the OSHA New Directions program, and can you share any specific plans that you may have for this program in terms of overall funding, number of grants to be supported, etc.?

ANSWER:

I intend to take a close look at the New Directions program and the other initiatives of the Occupational Safety and Health Administration to determine how best to employ its resources. From what I have learned about New Directions, it has provided a valuable stimulus for innovative approaches to improving safety and health protection for workers.

HAZARD COMMUNICATIONS STANDARD

QUESTION:

The Hazard Communication Standard upon judicial review is now being extended to the construction sector. Construction is quite different from manufacturing in a number of ways: the work sites are temporary and each job usually involves many different employers and different crafts and unions. Innovative organizational strategies involving both management and labor are needed to implement the standard in the construction sector. However, most of the Department's plans for the Hazard Communications Standard have been based on the concept of the manufacturing or service facility, which incorporate long-term structural stability and clear management responsibilities. Additionally, the Hazard Communications Standard today relies on material safety data sheets as the main source of information, which require in the majority of cases reading comprehension at the level of masters' degree in chemical engineering or a related field. Most construction workers have more modest educational backgrounds, and as much as a third may be either functionally illiterate or have English as a second language.

What plans have been developed to extend the Hazard Communications Standard to construction in terms of assisting labor and management, and what are your plans to address the reading comprehension level of workers?

ANSWER:

The Hazard Communication Standard (HCS) was extended to the construction industry on August 24, 1987. It was scheduled to go into effect on May 23, 1988, but has not yet been enforced due to the issuance of judicial stays. A request for stay is currently pending before the Supreme Court. If the Supreme Court denies the stay, a Federal Register notice will be published to announce that the stay is no longer in effect, and OSHA will establish an effective date for enforcement.

With regard to assisting the construction industry, OSHA has a number of materials available for all covered employers. These include two booklets, one summarizing the rule and one providing guidance for compliance, and a Compliance Kit which provides more detailed assistance. The Agency has Hazard Communication Coordinators in each Regional Office to respond to inquiries and to give speeches to interested parties. OSHA also funds free consultation services in every State to assist employers in complying with the HCS and other rules.

It is my understanding that the Department has received a proposal that seeks to address the issue of literacy as it applies to hazard communication training in the construction industry. I believe it is important for the Department to encourage efforts that improve worker health and safety as well as reduce illiteracy. I look forward to working with labor and management to find innovative ways to address these problems.

HAZARDOUS WASTE CLEANUP

QUESTION:

Workers engaged in this activity are protected by special OSHA standards for such work. These standards were mandated by the Superfund Amendments and Reauthorization Act of 1986. The final standards were to have been promulgated well over a year ago. In addition, the last Congress also required that the Department include comprehensive worker certification provisions in the OSHA standards for this work. These provisions have yet to be issued in proposed form, let alone as final regulations. Meanwhile, many workers engaged in this dangerous work may not be receiving the level of training required for this activity. What is your schedule for dealing with this serious regulatory need? In addition, what are your plans for makings sure that the nation's workers engaged in toxic cleanup are provided sufficient protection through OSHA enforcement of the protection standards?

ANSWER:

The OSHA permanent rule is currently undergoing final administrative clearance at OMB. OSHA's final regulation will become effective one year from promulgation. In the meantime, OSHA's interim rule, issued in December, 1986, will remain in effect. The interim final rule covers most of the workers with basic safety and health protections, including substantial training requirements.

The separate OSHA training program certification proposal is scheduled for final Department of Labor clearance in April. The schedule provides for the training certification final standard to follow the broader standard by about 4 months. There will be no lapse in coverage for training as the final certification standard will be promulgated before the hazardous waste activity regulation becomes effective.

JOB CORPS

QUESTION:

The Job Corps has been nearly universally hailed as a successful long-term program for training disadvantaged young people. Under your leadership, will the Department of Labor be committed to maintaining and, if possible, expanding the program? How will you take steps to assure that the program is functioning effectively, so as to assure equal access for young women to nontraditional occupations, ensure the continued involvement of labor unions, make the program responsive to labor market needs, etc. (i.e., through an advisory committee or other means)?

ANSWER

This year marks the 25th anniversary of the Job Corps, and over this period it has established an enviable record in providing effective training opportunities for the most severely disadvantaged youth. The Job Corps is a success. It will remain a vital part of our overall training and employment system and the cornerstone of our service to the most severely disadvantaged -- those requiring an intensive, residential program of comprehensive services.

As you may know, the Department is developing 6 new centers to add to the 107 now in operation. These will be opened over the three-year period, 1991-1993. Because of very tight budgets, and the need to modernize and upgrade existing centers, further expansion is unlikely within forseeable budgets.

The Job Corps has a legislated goal of achieving an enrollment of 50 percent women. The Department will continue to give the highest priority to providing both nontraditional and traditional opportunities to women in order to meet this goal. Among the steps being taken are:

- Adapting the all-male centers to provide access to nontraditional training for our women enrollees;
- Aggressively targeting our recruiting efforts to women; and
- Establishing services, such as child care in some centers, to facilitate participation of women.

The Job Corps conducts ongoing studies of labor market needs, and centers have advisory committees composed of business leaders to assure training is relevant. In addition, the direct involvement of major trade unions in the provision of training helps to ensure the relevance of our training programs to labor market needs. The union sponsored training has been among the most successful of our offerings. I fully support a continuation and strengthening of union involvement in the Job Corps program.

BLACK LUNG BENEFITS

QUESTION:

Last year the Supreme Court overturned the Department of Labor's interim regulation dealing with the Black Lung Benefits Program (29 CFR 727) as overly restricted. However, the Court failed to order reconsideration of the cases improperly adjudicated under the overturned standard, and thousands of disabled and in many cases impoverished claimants have suffered as a result of the Department's legal mistake.

There are many experts who feel that these claimants who have been wrongfully denied proper consideration should have their cases reopened.

As Secretary of Labor, would you strive to remedy the Department's error and reopen these cases?

ANSWER:

Consistent with the Supreme Court's decision in Sebben, the Department of Labor is applying the less restrictive criteria in all black lung cases that are pending. However, as to the vast majority of those cases that were finally decided before Sebben, there is simply no legal mechanism that would allow the Department to reopen those claims. The statute is very specific in detailing the Department of Labor's authority to reopen denied claims and assign liability to coal mine operators or the Black Lung Disability Trust Fund. Because, as the Supreme Court unanimously held, these cases do not fall within that limited authority, any attempt to reopen them would violate the law and constitute a breach of the Department's fiduciary responsibility to the Trust Fund, which is almost $3 billion in debt to the United States Treasury. We would have to very carefully consider any new legislation in light of this debt and the backlog of pending black lung claims that the Department, and Congress have taken major steps to reduce.

CAL-OSHA

QUESTION:

In February 1987, California Governor George Deukmejian sought to eliminate the California Occupational and Safety program known as Cal-OSHA, in the private sector. The governor's action was challenged by the state legislature and in the state courts. Most significantly, last November, the people of California voted in support of Proposition 97 to require the restoration of the Cal-OSHA program. Subsequently, Governor Deukmejian announced his intent to restore the program with respect to the private sector. I understand that it will likely take at least several months and possibly as long as a year for the Cal-OSHA program to be fully operational.

Would you agree, given the high standards and excellent quality of the Cal-OSHA program, that the state should have every opportunity to reinstate the program and that the federal OSHA program provide sufficient resources for that goal to be achieved?

ANSWER:

It is my understanding that the OSHA Assistant Secretary and his staff are already working closely with California officials to expedite reinstatement of the Cal-OSHA program. I shall continue this effort, and shall ensure that sufficient resources are provided to assure its success, consistent with the Department's resources and its commitment to occupational safety and health protection in other states.

QUESTION B:

Would you also agree that as long as the state is making progress toward restoring the Cal-OSHA program, you will not seek withdrawal of the California state plan?

ANSWER:

As I stated in my previous answer, I shall assure that every effort is made to restore full operation of the Cal-OSHA program, consistent with Department resources and the requirements of the Occupational Safety and Health Act. As long as California is making progress toward reinstating Cal-OSHA, I can see no reason to seek withdrawal of the state plan.

METHODS OF COMPLIANCE

QUESTION:

At the oversight hearing last April, OSHA scientists complained about the fact that because of insistence by the Office of Management and Budget, they were being required to use their limited time and resources on rulemaking in connection with OSHA's Methods of Compliance Policy which requires employers, if feasible, to use engineering controls rather than respirators to comply with permissible exposure limits. The scientists as well as other experts who testified, contend that the current long standing policy is universally accepted as the best way to protect workers and should not be revised by needless rulemaking since any change would result in less protection for workers.

Assistant Secretary Pendergrass had agreed with the position of the scientists in an options memorandum to the Policy Review Board of the Department of Labor as reflected on Page 253 of the hearing record.

In spite of the opposition by OSHA, the rulemaking has gone forward as part of the Administration's Regulatory Program.

Would you review this matter and if you determine this project is in fact a waste of valuable resources that will result in less protection for workers, ask that it be deleted from the next regulatory program due to be published in Spring of this year?

ANSWER:

I intend to review the Department's proposed 1989 Regulatory Program and in the context of that review determine my own regulatory priorities. In the course of that review, which I will conduct with input from each affected agency, I will pay particular attention to rulemaking projects, such as OSHA's Methods of Compliance project, that have generated considerable controversy and have a particularly broad impact.

BLOOD BORNE DISEASE

QUESTION:

At the oversight hearing last year OSHA scientists told of the urgent need for a Blood Borne Disease Standard to protect health care workers from Hepatitis B and AIDS. 200 health care workers die every year from Hepatitis B.

Assistant Secretary Pendergrass refused to commit himself at the hearing to the development of a standard. However, in July of last year he wrote to me and said that a standard would be developed. He said a proposed standard would be published in December, 1988.

The proposed standard has not yet been published and I understand it is currently being reviewed by OMB.

Will you ask OMB to expedite the review of the (blood borne disease) proposal and ask OSHA to expedite the issuance of a final standard?

ANSWER:

Protection for health care workers from Hepatitis B and AIDS is an important and vital priority. I understand that OMB has assured OSHA that every effort is being made to expedite approval of the proposed Blood Borne Disease Standard. I shall express to OMB my personal interest in expediting approval of the proposed standard, and to OSHA to accelerate their efforts to develop and issue whatever standard is appropriate.

TITLE III OF JTPA

QUESTION 11:

How will you ensure the coordination of the implementation of the new Title III of JTPA by the Employment and Training Administration (ETA) with the activities of the Veterans Employment and Training Service (VETS), the Veterans Administration and -- when it becomes operational -- the new Department of Veterans Affairs?

ANSWER:

The primary mechanism to ensure coordination of services to, and equity of service for veterans is to continue the excellent working relationship which now exists between ETA and VETS, between VETS and the Veterans Administration, and between the Department and veterans organizations. This relationship has proven very effective in achieving equitable service to veterans under JTPA.

About 21 percent of the participants in JTPA Title III, which serves dislocated workers, are veterans. This is proportionate to Bureau of Labor Statistics estimates that 22 percent of all dislocated workers are veterans. I assure you that the new Title III effort will significantly improve program design and coordination and will thus ensure effective assistance to all dislocated workers, including veterans. I will also make a special effort to work with national veterans organizations to further enhance service to veterans in all our training and employment programs.

OTHER JTPA QUESTIONS

QUESTION 12:

You are quite right in noting Congressional concern with the administration of JTPA by the Department of Labor. I have become very concerned as I have read studies by GAO and by the Department's own inspector general that are quite critical of the administration of this program. Funds are not well targeted to people who need them. Far too much money is given to business for needless on-the-job training. And I even read press reports that one PIC in Indiana had been spending JTPA money on things like setting up a prep school for Japanese students.

What steps will you take to respond to these criticisms and make sure that there is proper government oversight of the use of JTPA funds so that the public receives the maximum benefit for its training dollars?

ANSWER:

The first step has already been undertaken at the Department's own initiative -- the initiation of the JTPA Advisory Committee review. This searching review by an independent committee reflects a recognition by the Department that a good program with a solid record of accomplishment can benefit from critical examination and public debate. The committee has more than two thousand pages of comments from hundreds of States, localities, private firms, unions and interested citizens who responded to the Department's "White Paper" on the key JTPA issues, including those you mention.

The committee will submit its report to the Department in early March. I can assure you that my first action will be to share the report immediately with the members of the Senate Labor and Human Resources Committee, the House Education and Labor Committee and other interested members of Congress. Given the caliber and expertise of the advisory committee membership, I think both the Bush Administration and the Congress will want to give serious consideration to their findings and recommendations before taking administrative or legislative action.

I further assure the Committee that, after I have studied the advisory committee report, I will be prepared to discuss fully with you all the issues which affect the future of the JTPA program. We at the Department are very committed to ensuring that the public's return on its invested training dollar is maximized because this will also ensure maximum benefit for those people served by JTPA.

OSHA

QUESTION:

Ms. Dole, as you probably know, over the past two and a half years, the Committee has held oversight hearings on OSHA (The Occupational Safety and Health Administration), and MSHA (The Mine Safety and Health Administration.).

Those hearings revealed serious problems at both agencies in the development and issuing of health and safety standards and in effective enforcement.

---Dedicated OSHA scientists testified about the resistance, delay, and even second-guessing they experienced within the Labor Department and at OMB (The Office of Management and Budget) with respect to the health and safety standards they were developing to protect the workers of this country. OMB has no scientific expertise at all. And yet, they actually overruled the scientific judgments of the scientists and even diluted some of the standards.

---Highly respected safety experts at MSHA testified about how their program to upgrade safety regulations to protect mine workers was actually sabotaged. The regulations were weakened instead of strengthened. As a matter of fact, we heard testimony that the regulations came out the way industry wanted them and not the way that MSHA's safety experts had drafted them.

QUESTION:

Would you assure us that you will examine the roles of the Department of Labor, and of the OMB, in connection with OSHA's rule-making and decide whether or not those roles are appropriate, especially when scientific decisions are involved?

ANSWER:

The Occupational Safety and Health Act clearly makes the Secretary of Labor responsible for determining the contents of OSHA standards. If confirmed, I will take that responsibility very seriously. Assuming the President maintains OMB's role with regard to the Administration's regulatory policy, I will vigorously advocate the Department of Labor's position and, taking OMB's advice into account, make the difficult scientific and policy decisions the law requires me to make.

QUESTION:

Would you also look at the roles of the Department, and of the OMB, to see what steps should be taken to make sure their roles---whatever they are---are more open and public? (Much of what they now do is shrouded in secrecy.)

ANSWER:

There is a careful balance between assuring the public that the process of regulatory review is a fair and responsible one and assuring that the kind of full and frank discussion necessary for a reasoned decision making process is not discouraged through the premature and burdensome disclosure of every conversation between government officials. OMB has taken steps in recent years to increase disclosure of information and I will review the Department's policies in this regard with an eye toward improving public confidence in the process.

QUESTION:

And, as I said, we also heard about some very serious problems relating to <u>enforcement.</u> Would you be willing to review the testimony we heard on that subject and make your own determination of what needs to be done to insure that enforcement is more effective?

ANSWER:

Enforcement of the laws and regulations entrusted to the Department is a responsibility I shall not take lightly. I intend to review the record of the hearings not only concerning enforcement, but the other issues discussed. I can assure you that I shall review the enforcement policies of all the agencies of the Department to assure that the rights, including safety and health, of American working men and women are being vigorously protected.

MSHA REGULATIONS

QUESTION:

As far as MSHA is concerned, would you please be willing to look at the MSHA rules that were the subject of controversy during our hearings and give us your assurance that if necessary, they will be re-written to assure the highest standards of health and safety for our mineworkers?

ANSWER:

Under the Mine Act, the Secretary of Labor has the final decision making responsibility for all MSHA regulations. In exercising that responsibility, I am committed, as is this Administration, to providing the Nation's miners a safe and healthful workplace. I can assure you that health and safety will be the primary concern in making decisions concerning MSHA rules. In making these decisions, I will certainly rely first on technical specialists in MSHA. You may be assured that I will consider the concerns of all segments of the mining community in developing new or revised rules.

The CHAIRMAN. Senator Simon.

Senator SIMON. Mr. Chairman, I did not mean to interrupt you, but while we are waiting for a quorum to show up—and I think there is an outside chance you will get approved here, Madam Secretary—IBM nationally is doing what I do not believe any other corporation has done. I visited in Chicago about 3 weeks ago. They are getting their executives, their personnel, to volunteer on literacy, and they are bringing people who do not know how to read and write into the IBM building in Chicago, for example, putting them in front of computers, telling them how to operate a computer, and they are learning how to read and write. It is a great thing. I talked to a woman there who wrote the first letter she had ever written in her life. It is really a great thing, and I think we could do much more to encourage other corporations to do the same.

Mrs. DOLE. Absolutely. I think that sounds like a tremendous program, and there is so much that we can do. We need to be creative; we need to think big; we need to be very effective in the ways that we approach this, and very efficient, and most definitely coordinate with the other departments. We just have a tremendous opportunity to make a real difference in the lives of so many people.

And you know, it is wonderful to know that you have an opportunity to impact such an area, to ensure that a person who wants a job has a job that they are literate, that they have the skills, the education and the training.

But in a broader sense, too, I think that the future of our economy and our worker productivity and our ability to compete on a global basis, to have a second American century—many of these Department of Labor policies and programs and regulatory responsibilities feed right into the future of our economy. It is very much in the mainstream in terms of the issues that are going to be front and center.

I think some of the issues we have discussed today are among the really important ones that are on our agenda in America these next few years, and we will have the opportunity to work together toward solutions which can make such a difference in our ability to compete on a global basis, and to give everyone the opportunity that we have sought to give them for so long.

Senator SIMON. I thank you.

Thank you, Mr. Chairman.

[Responses of Mrs. Dole to questions by Senator Simon follow:]

QUESTIONS FROM SENATOR SIMON

FUNDING FOR EMPLOYMENT AND TRAINING

QUESTION:

In a hearing I held last September on my draft bill to amend the Job Training Partnership Act (JTPA) Assistant Secretary Roberts Jones and I discussed what funding is necessary to adequately serve our nation's youth and unemployed adults -- to improve their basic skills and to train them for jobs paying a wage above the poverty level. Assistant Secretary Jones estimated it would cost an average of five to six thousand dollars per person to provide one year of training and to successfully improve the basic educational skills and provide employable skills needed in the changing workforce using the JTPA system.

Since the JTPA program presently serves about 3 to 5% of the eligible population, and spends roughly $1800 per person for an average of four months, we are admittedly falling far short of serving any substantial part of the needy population and falling far short of serving them adequately. In comparison, it is estimated that we spend an average of $5,000 per year for four years on those eligible low and middle income students who are college bound.

Given our current budget situation, how do you as the Secretary of Labor intend to proceed to address this problem in terms of providing adequate appropriations targeted to the non-college bound youth as well as the unemployed adult?

ANSWER:

Because of the severe pressures of the budget, my first response is not to increase appropriation requests but to use existing funds more effectively. I think there are some things we can do in this regard. We can invest more per person by improving our targeting of resources, both geographically and by reaching those most in need of assistance. Next, as we emphasize literacy and basic skills remediation along with job training, we will get it right the first time -- thus saving resources otherwise spent on people who recycle through our public programs. We can also vastly improve the coordination and linkages among our human resource development programs so as to minimize duplication and inefficiencies.

Only after we have taken serious steps in this direction can we expect to see substantially more funds made available for our programs. The severe budget constraints are real and require the Administration and the Congress to work within our means and prioritize our decisions. For my part, I am currently carefully examining those budget priorities.

WELFARE REFORM

QUESTION:

As you know, the Congress recently enacted the JOBS program as part of Welfare Reform. Although Senators Kennedy, Hatch, Quayle and I were successful in including an amendment requiring coordination of employment and training programs under the JOBS program with those under the Job Training Partnership Act -- we run a great risk that the states will set up parallel employment and training systems. This should be avoided as both wasteful and unnecessary. I support requiring the governors to commit education, employment and training, and placement efforts under JOBS to existing systems. What would be your ideas and suggestions for addressing this potential problem?

ANSWER:

I could not agree more with your statement that it would be both wasteful and unnecessary to set up a parallel employment and training system under the new JOBS program. As you know, the issue of mandating the use of existing systems for JOBS was raised and rejected during the debate on the JOBS program. Our task now is to work cooperatively to implement JOBS to insure the maximum coordination between systems.

The Employment and Training Administration is currently working with the Family Support Administration of the Department of Health and Human Services to promote coordination between JOBS and JTPA through JOBS regulations, training and technical assistance to the states, the development of data requirements and performance standards and the overall implementation process. In addition, you are aware that we are working to improve the quality of our training programs to insure that they will be as effective as possible in meeting the needs of welfare participants under JOBS.

There is a broader dimension to your question, however, that goes to the federal government's current approach to human resource development programs. Currently, we spend about $20 billion on more than a dozen programs aimed at improving the skill levels of youth and adults. I look forward to working with the committee to explore ways to strengthen this investment and utilize our scarce budget resources more effectively.

JTPA

QUESTION:

When confirmed will you use your position and influence to assure the intent of the JTPA within the Labor Department and within the Cabinet?

ANSWER:

JTPA links the energy of local government and the vision and know-how of business with federal resources to train workers. It is currently being reviewed by a broad-based commission. I look forward to the commission's suggestions in March as we work to make this good program even better.

I will discuss all options with respect to JTPA's future with the Committee and work actively within Labor and with other agencies as appropriate to make JTPA a more effective vehicle for serving the Nation's disadvantaged workers.

JOB CORPS

QUESTION:

Will you establish an active Advisory Board (29 USC 1704) to include representatives from unions active in the Job Corps program, to provide you with independent, objective insight and information from the private sector in order to minimize bureaucratic complications?

ANSWER:

There is currently a Job Corps Advisory Committee which provides insight and guidance from the private sector. While the current membership does not include union representatives, we will give consideration to union representatives who are involved in Job Corps when the membership is reconstituted later this year.

JOB CORPS

QUESTION:

Do you believe that women should have equal access to non-traditional jobs such as the skilled trades?

ANSWER:

Of course I support equal access of women to all jobs, including those labeled non-traditional. I was gratified to learn that the Job Corps is actively and aggressively implementing a program to facilitate training in non-traditional occupations for women by:

- Installing dormitory alterations and equipment to encourage the participation of women in formerly all male programs.

- Shifting formerly all male centers to co-ed centers to open all occupational areas to women.

We expect the unions to take a lead role in opening non-traditional occupations to women Corps members. Union sponsored programs are actively fulfilling that role in providing training for a variety of non-traditional jobs including carpenters, painters, and operating engineers.

JOB CORPS

QUESTION:

Do you see Job Corps as an investment in America's disadvantaged youth, or as a social expense to the country?

ANSWER:

Job Corps is an effective model of how we can serve severely disadvantaged youth who have multiple barriers to employment and self-sufficiency. Job Corps's worth has been demonstrated for more than two decades.

The program has remained essentially unchanged since its inception, providing a mix of basic education, occupational skills training, work experience, counseling, medical and supportive services in a residential setting. Studies of Job Corps indicate that this approach works and that program benefits outweigh costs.

The Department will continue to explore new ways to enhance Job Corps program performance and minimize costs for disadvantaged youth.

JOB CORPS

QUESTION:

Will you continue to support the 23 year success story of unions' participation in Job Corps?

ANSWER:

Unions have been a major factor in the success of the Job Corps. Currently, nine unions provide training in over 8,400 training positions--some 20 percent of the overall Job Corps vocational program. These programs have been markedly successful, with trainees averaging $5.63 per hour at placement. With these results, we certainly expect to continue unions'participation in the Job Corps program.

CRIMINAL SANCTIONS AND VICTIMS' RIGHTS

QUESTION:

From 1981-1988, the departing Administration criminally indicted just two employers for violations of the Occupational Safety and Health Act. During that same period, the State of California successfully prosecuted 112 cases. The possible impact of criminal prosecutions is: A construction worker under Federal jurisdiction is four times more likely to die on-the-job than a construction worker in California.

a. Do you believe that the increased use of criminal prosecutions is a viable tool to improve safety?

b. Do you believe that local prosecutions of employers is preempted by the Occupational Safety and Health Act?

ANSWER:

I understand that over the years, in every Administration, OSHA has emphasized the use of the primary tool Congress gave it for enforcement: civil remedies. OSHA has, in the last couple of years, considerably enhanced its ability to use strong civil penalties against flagrant violators. In addition, the Justice Department has taken the position that increased criminal penalties are possible in OSHA cases and that the OSHA Act does not preempt State and local prosecutors from using general criminal statutes to prosecute employers where employee deaths and willful disregard of OSHA regulations are involved. We anticipate that the issue of preemption, which is presently pending in several state courts, will reach the Supreme Court in the near future.

Perhaps, we can work more effectively with the Justice Department to improve the processing of criminal referral cases by OSHA. I would like to discuss with Attorney General Thornburgh ways to make this process work more efficiently.

QUESTION:

Under current law and practice by OSHA, victims have the same rights as the general public. In other words, victims typically must file Freedom-of-Information Act requests and pay steep fees -- often as high as $1 per page -- for copies of citations or heavily censured investigative files.

a. What rights should victims have? Should victims be able to participate in settlement conferences? Should victims have the right to receive citations at the same time as employers? Should victims be briefed by OSHA before citations are issued?

b. According to a response to a Freedom-of-Information Act requested by the National Safe Workplace Institute, the current OSHA Administrator has met with only one victim during his tenure. Do you intend to welcome meetings with injured workers or family members? Should OSHA or your office seek the views of victims?

ANSWER:

You are correct that the law affords victims of unsafe workplaces no special rights of access to information. What workers and their families do have the right to expect is an OSHA that is fully committed to a vigorous program that will help prevent them from becoming future victims. In addition, OSHA investigators interview accident victims as part of accident investigations. I would welcome meetings with any individual or group who can give the Department new ideas and perspectives to help better achieve the goal of reduced injuries and illnesses on the job. As I stated in my confirmation hearing, I intend to convene a group of leaders from diverse interests to focus attention on new workplace risks.

[Note: Only one survivor of an accident victim has ever requested a meeting with Assistant Secretary Pendergrass and that meeting request was granted.]

The CHAIRMAN. I expect momentarily a quorum, but for the purposes of the hearing, the way we are going to proceed is we will recess our committee hearing, and then we will reconvene the committee, which will permit Madam Secretary to excuse herself. Then I will announce the procedure, and we will call the roll.

Before doing that, I want to thank you very much for your very impressive appearance here and your responses. Obviously, you are familiar with these issues and have demonstrated a strong willingness to work with this committee. And I think, as was stated earlier, you bring a remarkable set of qualifications to this office, and I think all of us are looking forward to your early approval by the United States Senate, and your confirmation, and the ability to work with you in the very near future.

Mrs. DOLE. Thank you very much, Mr. Chairman and members of the committee, and again I thank you for the speed with which this hearing was called, and I appreciate very much the courtesy that each of you have extended to me.

I look forward to working with you.

The CHAIRMAN. Once in a while, we are accused of acting too quickly around this committee—I know Senator Cochran would not agree with that. But we try to act quickly, and it has been a special pleasure to have the consideration of your nomination this afternoon.

So we will stand in recess to excuse Madam Secretary. We thank you very much.

[Whereupon, at 4:40 p.m., the committee recessed and thereafter reconvened in executive session.]

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